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Japan

Ozawa Leaves Moscow for Washington

OW2703112091 Tokyo KYODO in English 1110 GMT 27 Mar 91

[Text] Moscow, March 27 KYODO—Ichiro Ozawa, secretary general of Japan's ruling Liberal Democratic Party, left Moscow on Wednesday for Washington for talks with U.S. President George Bush and Secretary of State James Baker.

In Moscow, Ozawa met with Soviet President Mikhail Gorbachev on Monday and Tuesday to discuss bilateral relations prior to the first visit by the Soviet leader to Japan scheduled for April 16-19.

In the talks with Ozawa, Gorbachev expressed willingness to deal with the territorial dispute between the two nations when he visits Japan. The territorial problem over the four Soviet-held islands off northeastern Hokkaido is expected to be a main topic in the summit meeting between Gorbachev and Japanese Prime Minister Toshiki Kaifu.

Japan has long claimed the return of the four islands—Etorofu, Kunashiri, Shikotan, and the Habomai group—seized by the Soviet Union at the end of World War II.

In Washington, Ozawa is expected to explain the results of his Moscow trip and brief U.S. leaders on Japan-Soviet relations.

Kaifu, Others on Ozawa's USSR, U.S. Visits

OW2703115391 Tokyo NHK General Television Network in Japanese 0300 GMT 27 Mar 91

[Text] At today's session of the Budget Committee of the House of Representatives, Prime Minister Kaifu touched on talks held between Secretary General Ozawa of the ruling Liberal Democratic Party [LDP] and President Gorbachev, and highly appraised the results of the talks, saying that the talks set a good direction for future improvement in Japanese-Soviet relations, including the solution of the northern territories issue. The Budget Committee session was deliberating a tentative budget bill of 5.4 trillion yen for 12 days beginning 1 April because of the delay in the enactment of the budget for the fiscal 1991.

In his question during the morning session of the Budget Committee, Shizuo Wada of the Socialist Democratic Party of Japan asked: Mr. Prime Minister, you plan to visit the United States beginning 3 April. What is your purpose in visiting that country? Answering the question, Prime Minister Kaifu said: I believe bilateral relations between Japan and the United States are very important. President Bush originally planned to visit Japan, but this has been postponed because of his work involving dealing with the aftermath of the Gulf situation. Therefore, I will visit the United States to discuss future Japan-U.S. relations with the President.

Answering Mr. Wada's question about the results of talks held between President Gorbachev and Secretary General Ozawa of the LDP, who is now visiting the Soviet Union, Prime Minister Kaifu said: According to Secretary General Ozawa, both sides at the talks failed to reach the point where a memorandum of agreement on the territorial issue could be announced. However, President Gorbachev told him that the territorial issue would be a subject for future talks between the two countries, and I want to discuss the issue during his stay in Japan. Prime Minister Kaifu also added that he highly appraised the results of the talks, saying that the talks set a good direction for future Japanese-Soviet relations.

Government Spokesman Hails Ozawa's Moscow Visit

OW2703063191 Tokyo KYODO in English 0548 GMT 27 Mar 91

[Text] Tokyo, March 27 KYODO—Top government spokesman Misoji Sakamoto on Wednesday hailed ruling party executive Ichiro Ozawa's trip to Moscow as significant in improving bilateral relations, but said concrete measures on resolving the northern territories dispute have yet to be hammered out.

"If one recalls the Soviet Union's former denial that the territorial issue existed, then there has been an overall improvement," Chief Cabinet Secretary Misoji Sakamoto told a regularly scheduled news conference.

After a second round of talks with Soviet President Mikhail Gorbachev on Tuesday, Ozawa, secretary general of the Liberal Democratic Party, said the Kremlin leader agreed to discuss the dispute over the four islands off Hokkaido when he meets Prime Minister Toshiki Kaifu in April.

"Ozawa's trip was meaningful in that it helps create a growing consensus between the two countries that bilateral relations must be improved," Sakamoto said.

But he said concrete details have yet to be worked out, suggesting this should happen during visits to Japan by Soviet Foreign Minister Aleksandr Bessmertnykh, slated for this weekend, and Gorbachev on April 16-19.

Kaifu told a Budget Committee session at the House of Representatives that Ozawa's visit has "set forth principles" and helped create a suitable environment for Gorbachev's historic visit, the first ever to Japan by a Kremlin leader.

Ozawa, in nearly three hours of talks with Gorbachev spread over two days, stressed Japan's demand that the Soviet Union return the four islands, known in Japan as the northern territories.

Tokyo has refused to complete a peace treaty without first resolving the territorial dispute.

Commenting on the talks, a senior government official said he is "not optimistic" on the return of the islands, but the Soviets seem to be earnestly seeking a breakthrough in relations.

Bessmertnykh To Prepare for Gorbachev Visit

OW2703114791 Tokyo KYODO in English 1058 GMT 27 Mar 91

[Text] Tokyo, March 27 KYODO—Soviet Foreign Minister Alexander Bessmertnykh will come to Japan on Friday on a three-day visit intended to lay the final groundwork for the April 16-19 visit by President Mikhail Gorbachev, Foreign Ministry officials said Wednesday.

Bessmertnykh, who will be making his first visit to Japan since replacing Eduard Shevardnadze as foreign minister last January, will hold formal talks with his Japanese counterpart Taro Nakayama on Friday and Saturday, officials said.

They said the agenda of the talks will encompass both bilateral and international issues, but will center on the two countries' dispute over ownership of a group of northern islands that were seized by the Soviets at the end of World War II.

Gorbachev is expected to bring with him to Japan a proposal to return two of the four disputed islands in line with a promise the Soviet Union made in the 1956 joint declaration, which restored diplomatic ties between the two countries, Japanese political sources said.

But Japanese officials are holding out hopes that he will agree to their call for Soviet recognition of Japan's "residual sovereignty" over all four.

That would open the way for a massive infusion of Japanese financial aid to invigorate the flagging Soviet economy and Japanese technical and management expertise to restore its infrastructure, especially in the Soviet Far East.

It would also remove the main impediment to a long-pending bilateral peace treaty, though the two countries ended a state of hostilities in the 1956 joint declaration.

Officials said Friday's talks will be devoted to the international situation, particularly the post-Persian Gulf war situation and the political and security situation in the Asia- Pacific region.

They said Bessmertnykh and Nakayama will probe areas where the two countries could cooperate with each other on the international stage.

The foreign ministers are expected to issue a joint press statement after their first session outlining the points on which they share common views.

Saturday's session will dwell on bilateral issues, including the territorial dispute, the pending peace treaty, and a number of pacts which are expected to be signed during Gorbachev's visit.

One official, who spoke on condition of anonymity, said Japan looks to Bessmertnykh's visit as a chance to discern what the Soviets are considering with respect to resolving the territorial issue.

"We want to impress on the Soviets that a resolution of the territorial problem is essential if Gorbachev's visit is to represent a qualitative improvement and drastic breakthrough in bilateral relations," he said.

Following the formal talks and a luncheon meeting with Nakayama, Bessmertnykh will pay a courtesy call on Prime Minister Toshiki Kaifu later Saturday and meet subsequently with the press.

Before leaving on a three-day China visit Sunday, Bessmertnykh, who formerly served as Moscow's ambassador to Washington, is expected to visit the Kansai region of western Japan, including the ancient capital of Kyoto.

Officials said that as Bessmertnykh's visit is intended to make the final preparations for the imminent arrival of Gorbachev, the protocol and fanfare that would usually accompany a Soviet foreign minister's visit will be kept to a minimum.

Bessmertnykh's visit follows just after two round of talks in Moscow between Gorbachev and Ichiro Ozawa, secretary general of Japan's ruling Liberal Democratic Party (LDP).

Ozawa reportedly told Gorbachev in the talks on Monday and Tuesday that Japan would accept a staggered or phased return of the islands as long as Moscow recognizes Japan's residual sovereignty over all of them.

He is also believed to have raised the prospect of the Soviet Union being the beneficiary of massive economic assistance in return.

Ozawa told reporters afterwards that Gorbachev had "gone beyond" what Moscow had so far said on the islands issue, while a Foreign Ministry official who accompanied him said the Soviet leader "did not reject (Japan's) sovereignty over the islands."

Takeshita Expresses Concern About USSR Aid

OW2703122891 Tokyo KYODO in English 1106 GMT 27 Mar 91

[Text] Tokyo, March 27 KYODO—Former Prime Minister Noboru Takeshita expressed concern Wednesday that Soviet expectations of Japanese economic assistance may be inflated due to a recent rash of media reports describing plans for massive aid packages.

Addressing a meeting of political news editors, Takeshita said he is worried that a news item stating the government is preparing a 3 trillion yen package for the Soviet Union if Moscow recognizes Japanese sovereignty over four disputed islands may convey the wrong impression.

The powerful conservative politician said that he has received inquiries about the accuracy of the sum, which he said was reported as including private investment.

He did not mention who made the inquiry, but noted he had lengthy discussions with a senior Soviet official who suggested that his country may be eligible for Official Development Assistance (ODA).

Per capita income in the Soviet Union, at 5,000 dollars per person, is too high for it to receive ODA, Takeshita told KYODO NEWS SERVICE subscribers attending a one-day seminar on Soviet President Mikhail Gorbachev's April 16-19 visit here.

"I must ask you to be careful," he told the editors and news executives.

Japan has indicated it is prepared to offer economic assistance in return for recognition of Japan's sovereignty over the islands of Shikotan, the Habomai group, Etorofu and Kunashiri, which were seized by the Soviet Union at the close of World War II.

So far there has been no official announcement on specific offers, although various documents have been leaked to the media.

Takeshita said that he is pleased with the results of Liberal Democratic Party [LDP] Secretary General Ichiro Ozawa's talks with Soviet President Mikhail Gorbachev in Moscow on Monday and Tuesday.

Ozawa visited the Soviet Union with the intention of creating a suitable environment for successful governmental talks to resolve Japan's territorial dispute with the Soviet Union, not to negotiate, Takeshita said.

"I think that developments are proceeding in a favorable direction," said Takeshita, one of Ozawa's political mentors.

Addressing speculation that he may seek another turn as prime minister in the fall, Takeshita said that he is satisfied with his 19 months in the prime minister's office.

Takeshita, boss of the largest of the LDP's five political factions, resigned as prime minister in 1989 after being implicated in the Recruit stocks-for-favors scandal that was ravaging the ruling party's credibility.

He was not personally charged with wrongdoing, though he admitted his secretaries received large amounts of stocks and other contributions from Recruit Co., a publishing conglomerate at the center of the scandal.

Takeshita designated Kaifu, a former education minister, to take over after his immediate successor Sousuke Uno resigned following a sex scandal and loss in the House of Councillors election.

Kaifu's two-year term as LDP president ends on October 30.

KYODO Series of Interviews on USSR Ties

Economist on USSR Economy

OW1903054091 Tokyo KYODO in English 0440 GMT 19 Mar 91

["With Soviet President Mikhail Gorbachev scheduled to visit Japan in mid-April, KYODO WORLD SERVICE is moving interviews with five prominent Japanese academics and business leaders on the Soviet economy and Japan-Soviet relations in five instalments, starting Tuesday."—KYODO editor's note]

[Text] Tokyo, March 19 KYODO—Leading economist Hisao Kanamori, 66, who is chairman of the Japan Economic Research Center, says the problems facing the Soviet economy cannot be resolved in a short period, and that the Soviets should make gradual reforms leading to a free-market economy.

The following are excerpts from an interview with Kanamori by KYODO NEWS SERVICE:

Question: You seem to take the view that the Soviet economy is not in so bad a state as has been reported.

Answer: The Soviet economy is not getting better, but it's not on the verge of collapse. If you look at the statistics, you'll find that there was a record harvest last year, and that, although overall production showed minus growth, production of consumer goods grew 4 percent. One critic said that two to four million people would die of hunger last year, but the fact is that no one starved to death. This is evidence that there are enough goods in the Soviet Union. Recent weakened government controls have resulted in goods going to the black market, where prices are five to 10 times higher than at state stores. This shows the high potential of the Soviet economy.

Question: How do you evaluate Soviet reform plans toward a free- market economy adopted last October?

Answer: Well, they're appropriate. The now-abandoned plan drawn up by (former Presidential Economic Adviser) Stanislav Shatalin was for a rapid transition to a market economy only in 500 days. That's a pipe dream, and it's not related to reality in the Soviet Union at all. For such a plan to even be put forward proves that the Soviet people do not know what a market economy is. Even the plan that has been adopted does not contain short-term goals. Reformists (in the Soviet Union) said their reform plans have been "watered down completely," but if reforms are carried out so rapidly, confusion (in the Soviet economy) will be exacerbated further. For the Soviets, there is no choice but to go ahead with economic reforms in a step-by-step manner.

Question: What should Japan and other Western nations be doing to support the Soviet Union ?

Answer: What is important, of course, is financial support. Japan, for its part, should provide this. I believe that one of the options would be something like the Marshall Plan. Even South Korea is providing the Soviets with billions of dollars in financial aid. Japan, as a nation with an annual trade surplus of 30 billion dollars, could begin to do the same. If we offer help when they are in need, it will be deeply appreciated. From a long-term viewpoint, it's important to provide financial and technical support to develop industrial infrastructure in the Soviet Far East. It would be good if supermarkets and hotels in Japan advanced into that region to

provide management know-how. For their part, the Soviets should invite more foreign companies without imposing conditions.

[KYODO note: "The Shatalin Plan was designed to switch the Soviet economy to a market system with 500 days. The radical reform plan met with strong opposition, and the Supreme Soviet, or legislature, voted overwhelmingly for a milder, compromise reform plan. The Marshall Plan was a U.S.-sponsored program to rehabilitate the economies of European nations after World War II"—end KYODO note]

Keidanren Chairman on Aid

OW2003034791 Tokyo KYODO in English 0053 GMT 20 Mar 91

["This is the second in a series of interviews with five prominent Japanes academics, economists, and business leaders on the Soviet economy and Japan-Soviet relations"—KYODO editor's note]

[Text] Tokyo, March 20 KYODO—Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), says Japan's business community is ready to offer technical help in nuclear power generation to the Soviet Union, but that no cooperation will be possible for major projects unless a territorial dispute is settled.

The following are excerpts of an interview conducted by KYODO NEWS SERVICE with Hiraiwa, 66, who is also chairman of Tokyo Electric Power Co.

Question: Japan's attitude toward economic support for the Soviet Union has changed greatly over the past year. How do you feel about this?

Answer: We had expected (Soviet President Mikhail) Gorbachev to actively promote perestroyka (restructuring) with progress in opening the Soviet markets. So, we had hopes that Gorbachev would play a major role in achieving political stability. A year ago, there was a feeling generally (in Japan) that economic cooperation between Japan and the Soviets would go smoothly, and that we would see a resolution of the northern territories dispute. At that time, we had a feeling that with luck everything might go smoothly. But now the Soviet Union faces problems such as issues at home (including the pro-independence movements in the Baltic republics) and economic deterioration, so the situation is not such that we can go ahead at full speed (with economic cooperation).

Question: What course will the Japanese business community follow on providing economic support to the Soviets?

Answer: If private companies cooperate at this time, it will be limited to providing know-how to build an open, market-based economic system, including the development of financial systems, ways to accept (foreign) investment, and how to set up joint ventures. Supporting big projects is not a job private companies can do, because they need financing by the Export-Import Bank of Japan. This is linked to the northern territories issue, and it's a matter that cannot be resolved without governmental negotiations.

Question: How about financial support itself?

Answer: It's questionable whether the environment needed to make use of financial support really exists in the Soviet Union. It would be meaningless to offer financial support if the social infrastructure and distribution systems does not exist.

Question: What is your opinion on the question of crude oil development?

Answer: From a long-term viewpoint, natural resources are vital (to Japan). We have to make efforts to diversify sources of supply so as to be able to withstand a supply shortage in the future. Natural resources are precious, and (maintaining a stable supply of natural resources) is not only an economic issue. Regarding other topics, the Soviets rate Japan's nuclear power-generation technology very highly, and we won't hesitate to cooperate if requested.

Question: Has perestroyka come to an end?

Answer: I don't think it will come to an end. As shown in Eastern Europe and (the former East) Germany, perestroyka will not be turned back now that it has begun. There might be a temporary setback, I believe, but the direction (of perestroyka) itself won't change.

Question: How do you evaluate Gorbachev's visit to Japan?

Answer: I'm hoping that his visit will mark a turning point toward opening the doors and showing how Japan-Soviet relations will develop in the future. It will be all the better if Gorbachev comes with a larger solution (to the territorial dispute) that the Japanese Government could respond to.

[Begin KYODO note] The northern territories is the term used in Japan to refer to four islands off Hokkaido seized by the Soviet Union at the end of World War II. Japan demands the return of the islands, and the issue has hindered improvements in bilateral relations. [end note]

Economist on Energy Projects

OW2103114391 Tokyo KYODO in English 0532 GMT 21 Mar 91

["This is the third in a series of interviews with five prominent academics, economists, and business leaders on the Soviet economy and Japan-Soviet relations"—KYODO editor's note]

[Text] Tokyo, March 21 KYODO—A leading Japanese authority on the Soviet economy, Tadao Morimoto, says Japan should offer financial assistance to the Soviet Union for the development of natural resources, including crude oil and natural gas, in which Japan is keenly interested.

Morimoto, 64, who has been involved in trade with the Soviets for more than three decades, is now a senior adviser to Toray Corporate Business Research Inc., which is affiliated with Japan's top maker of synthetic fibers, Toray Industries Inc.

Following are excerpts from an interview with Morimoto by KYODO NEWS SERVICE:

Question: How do you see the current economic situation of the Soviet Union?

Answer: The Soviet Union's planned shift to a market economy appears to have made little progress. The country seems to be heading for the worst-case scenario, with shortages of consumer goods. According to a Soviet survey last September, there were only four out of 1,000 polled items which consumers could buy without queuing up for a long time. The situation is getting worse. I have visited the country 71 times over the past 33 years, but this is the first time I have heard of such a situation.

Question: What is the reason for the worsening economy?

Answer: It's a result of an imbalance of currency and products. This is the problem of so-called excess liquidity, which totals 220 billion rubles, including savings which people stash away at their homes. The total accounts for almost a quarter of the country's gross national product (GNP). Serious inflation can be caused in any country if the government forcibly imposes a free-market economy and price liberalization at a time when goods are in short supply, as happened in Poland. And what is worse, in the Soviet Union the shortage of food occurred at the same time as inflation. It is no wonder that the Soviet people are so critical of their government.

Question: What do you see as the future course of the Soviet economy?

Answer: All of the country's macroeconomic indexes recorded minus growth last year. GNP is predicted to decline by 3 to 7 percent in 1991, and I think it will suffer further declines in the next two years as well. Various economic reform plans have been recommended, but the drastic one proposed by a joint team of four international organizations including the International Monetary Fund in December looks as though it would be the most effective.

Question: Could you elaborate on Japanese assistance to the Soviets?

Answer: The nations of the West face the great task of making the Soviet Union a democratic country and integrating it into the world community. The Soviets cannot attain their goal of shifting to a market economy without help from the West. Japan should provide financial assistance to the Soviets in development projects for natural resources such as crude oil, natural gas, and coal. Providing assistance for such projects is also in Japan's own national interest. By 1993, the Soviet Union, the world's largest oil-producing country, is expected to become an importer of oil. Should this happen, the world's energy balance will change drastically.

Even if help was provided to the Soviets in the form of technology and know-how—for such things as quality control in production of goods—there would be no tangible results for a number of years.

Question: What is the attitude of Japanese industry regarding assistance to the Soviets, and do you think the Soviet Union will revive in the future?

Answer: Japanese industrialists have become cautious toward helping the Soviet Union since it used force against separatists in the Baltic republics in January. But I hope industrialists here in Japan will not be hasty in deciding whether or not to help the Soviets. It is the efforts of the Soviet people themselves that will make their nation revive successfully. The Soviet Union could decline into the poorest country on earth, in the worst case. Should this happen, Soviet refugees would flood the nations of the West, generating destruction of the environment and a waste of natural resources.

We have to assume that the territorial dispute between Japan and the Soviets over the northern territories will take a considerably long time to be settled. I believe that it is important for Japan to conclude a long-term bilateral economic cooperation treaty when Soviet President Mikhail Gorbachev visits Japan.

[Begin KYODO note] Figures released by the Soviet State Committee of Statistics show that the country's GNP fell 2 percent last year. The national income dropped 3 percent, and labor productivity 3 percent.

A joint report on the Soviet economy by the IMF, the World Bank, the Organization for Economic Cooperation and Development, and the European Bank for Reconstruction and Development, released last December, predicted inflation will rise to 40 percent this year, and proposed radical economic reform such as a drastic tightening of the national budget and absorbing excess liquidity by selling state assets. The report also said economic aid may have little effect, except for assistance in a few fields such as natural resources development and improving the transportation network. [end note]

Ex-Researcher on USSR Developments

OW2503194091 Tokyo KYODO in English 2335 GMT 21 Mar 91

["This is the fourth in a series of interviews with five prominent academics, economists, and business leaders on the Soviet economy and Japan-Soviet relations"—KYODO editor's note]

[Text] Tokyo, March 22 KYODO—Sergey Braginskiy, a former senior researcher at the USSR Academy of Sciences, says the Soviet Union needs Western help to

rebuild its economy under a market system, and calls for Japanese cooperation for big projects in the Soviet Union.

Following are excerpts from an interview conducted by KYODO NEWS SERVICE with Braginskiy, who will give lectures at a Japanese university from April 1.

Question: Is the Soviet plan to switch to a free-market economy working well?

Answer: The situation is such that we don't know at all whether the plan itself exists or not. The presidential guidelines adopted last October for converting to a market economy only feature general remarks, but no specific measures and timetable. This is the very reason why the Soviet economy is tracking a path toward a deterioration. The economy cannot be rebuilt without introducing the principle of a market economy. Political turmoil, such as President (Mikhail) Gorbachev's downfall, could cause a phase in which the economy would revert to a centrally controlled one. But such a situation would not last even half a year.

Q: Has the Soviet economy reached bottom right now?

A: From a general point of view, living standards are bad. Almost all goods have disappeared from state-run shops, but the private sector such as free markets is gradually growing. Clothing, shoes, and almost all other goods are available here. The only problem is that prices are too high. For instance, a salaried worker would have to use up his monthly wage to buy 10 kilograms of meat. So people in general want to work in the private sector where they will be paid well, and in fact the number of people employed in the private sector is on the rise.

Q: It is said that Soviet people lack the will to work. Is that true?

A: It's contrary to the facts to say that Soviet people are lazy. Up to now, the system has been one under which people lost the will to work. Even if they had lots of money, they could not buy a car nor could they travel abroad. But now, with the establishment of the private sector, the framework of a system that would enhance the will to work is taking shape.

Q: What will happen in the Soviet Union from now on?

A: Unlike a few years ago, the situation is changing to allow perestroyka to make its way with support built up from underneath. It's a decline in production at the centrally controlled sector that brought Soviet macroeconomic statistics into the minus column last year. The private sector is growing (in terms of production), although its share in the overall economy is small. It's possible that this will expand, and in the near future, will serve as a locomotive pulling the overall economy. If privatization is carried out decisively, giving up the centrally controlled sector in order to get the locomotive moving, macroeconomic statistics should improve.

Q: What kind of support do you expect from Japan and other Western nations?

A: There are many politicians in the Soviet Union who are convinced that they can get by without doing anything. I want the Western nations to persuade the Soviet people to understand that the cause of economic difficulties they face is rooted in their own country itself. Support from foreign countries would bring no fruits unless the Soviets put themselves on the right track toward reforms. Specifically speaking, I want to see Western support to improve distribution systems, as they are the most serious bottleneck. In addition, I hope to see Western support to lay the groundwork for legislation needed to promote the expansion of private businesses.

Q: What do you hope for from Japan's business community?

A: Even though there are political issues (such as the territorial dispute), I have high hopes of seeing bilateral cooperation initiated in big projects if Japan can do so. The Soviet Union is seriously in need at present. If Japan offers help now, the Soviet people will not forget it for generations.

Academic on USSR Reform

OW2303020491 Tokyo KYODO in English 0125 GMT 23 Mar 91

["This is the last of a series of interviews with five prominent academics, economists, and business leaders on the soviet economy and Japan-Soviet relations, in connection with the upcoming Soviet President Mikhail Gorbachev's visit"—KYODO editor's note]

[Textz] Tokyo, March 23 KYODO—A leading Japanese economic scholar says that the Soviet Union might need at least a decade to put its economic reform on track and Japan should start its assistance to the country now in the intellectual and technological spheres.

Hiroshi Kato, 64, an economic professor at Keio University, was asked to make suggestions for one of the drafts of the Soviet economic reform plan drawn by Stanislav Shatalin. He also serves as a key member of several Japanese government committees, including the Tax Commission under the prime minister's office.

Following are excerpts from an interview with Kato by KYODO news service:

Question: You were asked to make suggestions for the Soviet economic reform plan, drawn up by presidential aide Shatalin; how do you see the plan?

Answer: The opinions and advice of many American economists were incorporated in the so-called Shatalin plan, and as a result, I think the plan became too "radical" and unrealistic...although very well done.

The Soviet Union, in a way, can be called a "developing country," and it is too much to introduce American ways all at once in such a country. So I think it was good that a more moderate plan (the presidential guidelines adopted last October) was finally approved. I believe the country is headed in the right direction. In my opinion,

it is now in about the same situation that Japan was in in 1957 or 1958. I feel it will take a decade for the Soviet Union to put its economic reform plan on track.

Q. What would you suggest the Soviet Union do now in order to push its economic reform forward?

A. As I told Mr. Anatoliy Milyukov (head of the Social and Economic Affairs Department of the Communist Party's Central Committee) when he visited as a leader of a mission to Japan (in November 1989 and April 1990), I would suggest five points.

The first point is to secure political stabilization through something like the General Headquarters (GHQ), which was forcefully set up in occupied Japan after World War II.

The second is to build the country's finances, which are sure to sink into deficit, and the next is to establish systems by which wage hikes and productivity can be balanced.

Fourthly, the distribution system should be reorganized and divided into several sectors and controlled separately. In order to control inflation, the country should then soak up its huge excess liquidity, including money people have stashed away in their homes.

Q. Do you think perestroyka is in reverse?

A. First of all, the translation of perestroyka as "reform" is causing misunderstanding. The real meaning of the word is "restructuring"—restructuring the economy through repeated trial and error to something between a system of market economy and a controlled economy. I think it is better to say that Presidnet Gorbachev is trying to stabilize the political situation for purposes of economic restructuring, rather than to say he is moving back toward conservativism.

Japan succeeded in shifting from a war-time economy to a market economy after World War II, due mainly to the fact that the GHQ helped in controlling moves against the administration of shigeru Yoshida, then prime minister, which was struggling to stabilize the country's political situation.

Q. What assistance should Western nations provide to the Soviet Union?

A. Financial assistance is vital, but (except for Japan) the Western nations may not be able to provide it, because they do not have sufficient funds either. So, Japan should be aware that it may have to provide economic assistance alone, while Europe and the United States hang back. The best thing to do would be to set up a world-wide financial fund targeted at the countries in Eastern Europe, the Middle East and the Soviet Union. Through the fund, Japan should take the leadership...in a kind of new "Marshall Plan"...(a major effort aimed at fostering economic recovery in Europe after World War II).

Q. But Japan probably can't move until the territorial dispute with the Soviet Union is settled.

A. Financial assistance will not necessarily be provided immediately. Intellectual and technological exchange should come first. I don't think President Gorbachev can say the Soviet will return the four islands to Japan at a time when he is facing growing independence movements in the Soviet Republics. Japan should not expect an answer on the islands during the president's visit ... Otherwise it should not invite Gorbachev to Tokyo.

[Begin editor's note] The "Shatalin Plan" was a radical reform plan for the Soviet Union, drawn up by a group of economists led by Stanislav Shatalin, which proposed a new political structure and called for the creation of a market economy within 500 days.

Due to opposition in the Supreme Soviet or Parliament, on October 19, 1990, the more moderate "Presidential Guidelines for the Stabilization of the Economy and Transition to a Market Economy" were adopted, in which the timetable for the changes was not specified. Milyukov was one of the economists who pushed the more moderate plan. [end note]

Spokesman Remarks on Curbing Aid to PRC

OW2703101991 Tokyo KYODO in English 1000 GMT 27 Mar 91

[Text] Tokyo, March 27 KYODO—Japan is undecided on whether to curb economic aid to China following Beijing's announcement Tuesday to sharply increase defense spending, top government Spokesman Misoji Sakamoto said Wednesday.

The comment came as China's acting Culture Minister He Jingzhi urged Prime Minister Toshiki Kaifu earlier in the day to make an early visit to China and boost government-level exchanges.

Sakamoto, the chief cabinet secretary, told a news conference that the government is still reviewing a proposal to limit development assistance to countries that have high defense expenditures.

"This (scheme) is not aimed only at China but applies to the entire world," he said.

A high government official, speaking on condition of anonymity, said Japan's 810 billion yen loan program to China would not be affected by the proposed policy, despite Beijing's increased defense budget.

The concept was floated in response to the Persian Gulf war, in which Iraq used an arsenal of imported weapons against multinational forces from 28 nations, some of which had helped arm Iraq.

On Tuesday China announced it would boost its military budget this year by 13 percent to pay for modernizing its army.

It marked the second major increase in defense spending in two years, and was widely seen as a reflection of China's concern about threats to communism and reward for the army's suppression of the 1989 democratic movement.

Japan, the largest aid donor to China, put its aid program on hold for about one year following the bloody crackdown on the pro- democracy movement in June 1989.

The freeze was lifted last summer, when Japan broke rank with other industrialized countries and announced it would resume aid.

Farm Minister Denies U.S. Secretary's Charge

OW2703110991 Tokyo KYODO in English 1019 GMT 27 Mar 91

[Text] Tokyo, March 27 KYODO—Japan's agriculture minister on Wednesday denied charges leveled by U.S. Agriculture Secretary Edward Madigan that U.S. rice farmers were threatened with arrest for displaying their rice products at an international food import fair in Chiba over the past week.

"They were never threatened with arrest or imprisonment as was reported by the U.S. mass media," said Agriculture, Forestry, and Fisheries Minister Motoji Kondo before the House of Representatives Budget Committee.

"I want to work toward clearing up this misunderstanding," he said, and indicated he would send two ministry officials to hear Madigan's reply and explain the affair.

In a letter to Kondo, Madigan said, "American rice farmers were dealt a serious affront this past week when your government threatened arrest for the educational display of their product."

Prime Minister Toshiki Kaifu, testifying before the committee, brushed aside the possibility that he and U.S. President George Bush would discuss the further opening of Japan's rice market during their talks early next month.

"Since the rice issue is on the table at the Uruguay round of multilateral trade talks, I don't expect it to be dealt with bilaterally," Kaifu said.

Later in the day, Foreign Minister Taro Nakayama told U.S. Ambassador to Japan Michael Armacost that media reports on the rice display incident have hurt the Japan-U.S. relationship, which he regrets.

Foreign Ministry officials said Nakayama called the meeting to explain Japan's position on the March 16 incident, in which the U.S. Rice Council was coerced into withdrawing a display of 10 pounds of American rice from the food exhibition.

Nakayama denied a NEW YORK TIMES report last week that Kondo had notified the U.S. Embassy on March 16 that everyone associated with the exhibit would be arrested if the rice was not removed.

But a Foreign Ministry spokesman confirmed last week that the rice exhibitors were running the risk of arrest.

Nakayama said it is important to draw a distinction between the rice incident, which he said involved a violation of Japan's Staple Food Control Law, and the broader issue of liberalization of Japan's rice market, according to ministry officials.

The officials said the foreign minister expressed relief upon hearing Armacost's remarks that the two countries should put the incident behind them and get on with "more important" matters.

Armacost was quoted as saying the Washington and Tokyo must not let it distract their attention from the need to work for a successful conclusion of the Uruguay round of multilateral trade talks.

Nakayama stressed the importance of tackling the agriculture issue in the talks, they said.

Government Considers Dairy Products Price Cuts

OW2703064091 Tokyo KYODO in English 0544 GMT 27 Mar 91

[Text] Tokyo, March 27 KYODO—The government is considering another cut in dairy product prices of 1.3 percent in line with Japan-U.S. talks on import liberalization, despite opposition from dairy farmers and industry-affiliated politicians.

Agriculture, Forestry, and Fisheries Minister Motoji Kondo referred to an advisory body the proposed cut in the government's set prices for butter, powdered skim milk, and unprocessed milk in fiscal 1991, ministry officials said Wednesday.

The suggested 1.3 percent reduction will bring down prices for those products to an average 76.75 yen per kilogram. The price of butter, for instance, would become 1,051 yen per kilogram, and powdered skim milk 12,663 yen per 25 kilograms.

The plan also calls for an increase in the maximum volume for government subsidies by 50,000 tons to 2.4 million tons. The government provides subsidies for dairy producers when market prices fall below government-set prices.

If the prices are reduced, it will be the second consecutive annual drop for Japan's dairy products. The plan is conducted in line with the ongoing Japan-U.S. dairy products talks on lowering production costs and liberalizing imports.

In proposing the reduction, the government has also taken into consideration the average year-on-year 2.6 percent drop in production costs for milk in Hokkaido, a barometer of government-set prices.

But domestic dairy farmers want prices kept at present levels, and Diet members from the ruling Liberal Democratic Party (LDP) linked to the dairy industry have also sought to minimize the reduction.

The ministry's Livestock Industry Promotion Council will study the price reduction plan and come up with an answer Wednesday, according to ministry sources.

The ministry will then decide the new prices by the end of this week in order to introduce them April 1, the start of the new fiscal year, the sources said.

Mongolia Hands Over List of Dead POWs

OW2603120391 Tokyo KYODO in English 1122 GMT 26 Mar 91

[Text] Tokyo, March 26 KYODO—Mongolia on Tuesday presented Japan with a list of Japanese who died in prisoner-of-war camps there after World War II, Foreign Ministry officials said.

Mongolian Foreign Minister Tserenpilyn Gombosuren told his Japanese counterpart, Taro Nakayama, that there were 1,600 names on the list, the officials said.

Nakayama's thanked Gombosuren for the list, which Japan had long sought, and said the families of the dead soldiers will also be grateful.

By Japan's count, some 14,000 Japanese soliders captured by Soviet forces around the end of World War II were transferred to Mongolia from camps in Siberia.

Some 1,600 of the POWs are believed to have perished, while the survivors were sent back to Japan by 1947.

The officials said Gombosuren asked Japan to study ways to relieve his country's energy shortage, and Nakayama promised that Japan would consider the request.

Electricity and oil supplies from the Soviet Union have been slashed and Mongolia does not have the spare parts and fuel needed to exploit its own coal reserves.

Mongolia's infrastructure is largely Soviet-made and there is a severe shortage of spare parts due to supply problems resulting from the weakened Soviet economy.

Nakayama said Japan supports Mongolia's move toward a market economy and pledged continued economic and technical assistance for that effort.

Gombosuren said Mongolia hopes to expand its political relations with Japan. He called on Prime Minister Toshiki Kaifu to accept an outstanding invitation and visit the country this year.

Officials said Nakayama promised to convey the request to Kaifu and to look into what he can do to have it realized.

The two foreign ministers exchanged documents relating to the dispatch to Mongolia of Japan Overseas Cooperation Volunteers (JOCV) to teach the Japanese language, among other social development tasks.

Visit to Graves Allowed

OW2603163291 Tokyo KYODO in English 1609 GMT 26 Mar 91

[Text] Ulaanbaatar, March 26 KYODO—Sixteen cemeteries in Mongolia where Japanese prisoners of war were buried after World War II will be opened to Japanese visitors by the end of this year, the president of the Mongolian Red Cross Society said Tuesday.

N. Shura, president of the Red Cross Society, said no belongings of the Japanese detainees have been found but several photos of the POWs taken by Mongolian officials will be made public shortly.

Shura had pledged last December when he visited Japan to turn over a list of the Japanese POWs who died in Mongolia to a group of former POWs. However, he said Tuesday the Mongolian Embassy in Tokyo "advised" him in January that it should be handed over to the Japanese Government instead.

The head of a group of former POWs said that Japanese Government "interference" was behind the embassy's action.

Earlier Tuesday, Mongolian Foreign Minister Tserenpiliyn Gombosuren delivered a list of 1,600 Japanese POWs who died in Mongolian camps to Japanese Foreign Minister Taro Nakayama in Tokyo.

Shura told KYODO NEWS SERVICE that he provided this list to the Mongolian Foreign Ministry earlier this month at government advice.

The All-Japan Former Internees Association invited Shura to Japan last December for a symposium.

At the symposium, Shura for the first time publicly confirmed that some 1,615 of the 12,318 Japanese POWs the Soviets sent for forced labor died in Mongolia. They were among over 600,000 POWs, mostly Japanese Army soldiers, nabbed by Soviet troops in the closing days of World War II. Over 60,000 are estimated to have died in Soviet, Mongolian and North Korean camps.

The 70,000-member group has since last year released several lists of thousands of deceased Japanese POWs that its head, Rokuro Saito, obtained from Soviet officials.

Despite the cooperation of the Soviet Government, the ex-POWs have run into friction with Japan's Foreign Ministry.

Ministry officials said the lists should be given only to the ministry, not to a "certain group," and said releasing the names would violate the privacy of the people involved.

Saito, for his part, insists the names of the dead POWs should be made public now to allow the public to offer their condolences because the ministry will never publicize the lists and the chance will be lost.

He said the group has received over 1,000 letters thanking him for releasing the names.

Saito accused the Japanese Government of being behind what he describes as a "recent change of attitudes" by the Soviet and Mongolian officials, who he said suddenly became reluctant to give him the lists.

Saito, a former POW in Siberia himself, plans to go to Mongolia on Friday in an attempt to get the list as promised.

List Handed Over

OW2703152891 Tokyo KYODO in English 1458 GMT 27 Mar 91

[Text] Ulaanbaatar, March 27 KYODO—The head of the Mongolian Red Cross Society said Wednesday that a list of Japanese prisoners who died in Mongolian camps after World War II includes 1,597 names and he hinted that some of them may have been civilians.

Mongolian Foreign Minister Tserenpiliyn Gombosuren handed the list to the Japanese Foreign Ministry in Tokyo on Tuesday, but the Japanese Government is reluctant to make it public.

Red Cross President N. Shura told KYODO NEWS SERVICE that the 51- page list carries names and dates of death in Russian letters, grouped into 16 grave sites. He said the POWs' death certificates have been lost but many died of pneumonia in the cold weather.

The 1,597 were among some 12,000 Japanese detainees in Mongolia. They were part of over 600,000 Japanese captured by Soviet troops as they moved into then Japanese-occupied Manchuria and Korea, and the then Japanese territories of southern Sakhalin and the Kurils just days before Japan surrendered in August 1945.

While most of the Japanese were soldiers, the head of an ex-POWs' organization estimates that 10 percent were civilians, including Japanese settlers, and nurses accompanying the military.

Most of the detainees were put into Soviet labor camps, where some remained until the 1950s, but 12,000 were delivered to Mongolia, a close ally of Moscow, for forced labor, while sick or injured prisoners were sent to North Korea.

Mongolia allowed the survivors of its camps to return to Japan in October 1947.

Shura said he has obtained documents showing that 1,143 civilians were among the 10,705 survivors allowed to return to Japan, raising the possibility that civilians were among the dead as well. He pledged to investigate further.

Shura added that 18 other detainees either died on their way back to Japan or were executed for killing Mongolians, but said their identities are unknown.

Although some 62,000 Japanese POWs died altogether, no remains have been returned except those of a few senior commanders.

The Soviets until recently had claimed the death toll was only some 3,500.

Japan claims the long-term detention of the Japanese for labor violated the war-ending Potsdam Declaration, which called for early repatriation of Japanese POWs.

Meanwhile, in Tsuruoka in Japan's Yamagata Prefecture, a Japanese veterans group seeking release of lists of detainees and the return of their remains said it had canceled a planned trip to Ulaanbaatar to receive the list of dead POWs which Mongolian officials handed to the Japanese Government Tuesday.

The head of the group, Rokuro Saito, who was to leave Friday, said the Mongolian Red Cross no longer has the list despite its president's promise to hand it over to Saito's association.

At a symposium sponsored by the ex-POWs' group in Tokyo in December, Shura pledged to give the list to the group.

Mongolia, however, gave the list to the Japanese Foreign Ministry, which has insisted that such lists should be delivered only to the government for "privacy" reasons. Officials of both the Foreign, and Health and Welfare Ministries are reluctant to make the names public.

Mongolian Red Cross President Shura said in the Mongolian capital on Tuesday that he had intended to hand the list to the veterans' group, but the Mongolian Embassy in Tokyo advised the group in January to give it to the Japanese Government instead.

Saito said a troubled Shura has told him recently that Japanese Government officials approached the embassy with offers of economic assistance, quoting Mongolian Government officials as telling the Red Cross chief that "the money we would get from Japan is not a small sum."

A Japanese Foreign Ministry official in charge of Chinese and Mongolian Affairs said he did not know whether this took place, but he presumed it did not.

Saito, himself a former POW, maintains that the lists of the dead should be made public so people can express their condolences.

Saito's group, which has 70,000 members, held a symposium in June at which Soviet Red Cross officials for the first time publicly admitted the existence of a large number of POWs.

Impact of Moves Toward Trading Blocs Studied

OW2303112891 Tokyo KYODO in English 0723 GMT 23 Mar 91

[Text] Tokyo, March 23 KYODO—The Foreign Ministry is studying moves by some of Japan's trading partners toward forming trading blocs in order to determine how Japan can avoid being shut out of their markets, ministry sources said Saturday.

According to the sources, study results will be used in formulating Japan's position on trading blocs before the summit meeting of seven major industrial nations in London in July.

Japan so far has opposed creating trading blocs in fear that they could lead to regional blocs that are closed to outsiders.

The 12-nation European Community (EC) is taking the lead in forging such a trade bloc with its plan to create a single market by the end of 1992. In addition, the United States and Canada are moving toward including Mexico in their two-year-old free trade agreement.

In Asia, Malaysia has proposed an East Asia economic group involving Japan, South Korea, and Southeast Asian countries, and Malaysian International Trade and Industry Minister Rafidah Aziz is slated to visit Japan to seek Japanese support for the idea.

With these developments, Japan, a nation that has benefited from free trade for some time, is finding it necessary to decide on trading blocs.

The sources said it would be difficult for Japan to convert its opposition to trade groups into support, but suggested that they consider a strategy to meet such moves in a case-by-case manner.

North Korea

Naming of ROK General to MAC Protested

SK2703015791 Pyongyang Domestic Service in Korean 2200 GMT 27 Mar 91

[Text] The side of the Korean People's Army [KPA] and Chinese People's Volunteers [CPV] of the Military Armistice Commission [MAC], in denunciation of the fact that the UN Command has paralyzed the major activities and role of the armistice supervisory body, has released the following statement on 27 March:

The statement of the KPA and CPV side of the MAC:

On 25 March the UN Command tried to hand over to our side a letter of credentials about the appointment of a South Korean Army general as its side's senior member to the MAC.

Unable to recognize an unqualified South Korean Army general as the UN Command side's senior member to the MAC, the KPA and CPV side had no choice but to instantly hand back the letter of credentials.

The South Korean Army is not part of the UN forces or a signatory to the Korean Military Armistice Agreement. Moreover, the South Korean Army persistently opposed the signing of the MAC itself. So it is apparent to anyone that a South Korean Army general cannot become a senior member of the UN Command's side of the MAC, an institution whose mission is to supervise the implementation of the Armistice Agreement signed between the Korean and Chinese side and the UN Command.

The appointment of a South Korean Army general as the senior member of the UN Command's side of the MAC completely runs counter even to the demands of the Armistice Agreement.

Clause No. 20 of the Armistice Agreement states that the MAC shall be composed of 10 senior officers, five of whom shall be appointed by the commander in chief of the UN Command.

It is self-evident that this means that the appointment should be made among the senior officers of the UN Command, a signatory to the Armistice Agreement, not from any other sources who are not a party to the agreement.

It is due to our objective to place the South Korean Army also under the control of the Armistice Agreement that we have been tolerant to the U.S. side's attitude of allowing the South Korean Army general to come to the MAC conference room and of sitting together with him. Nevertheless, a general of the South Korean Army, which has lost its prerogative of supreme command to the U.S. forces, cannot be a person responsible for the armistice supervisory institution under any circumstances.

Out of consideration to correctly implement the Armistice Agreement and to ensure the normal activity of the Armistice Agreement supervisory groups, the Korean and Chinese sides have already made clear their position to the UN Command that a South Korean Army general cannot be a senior member of the UN Command's side of the MAC.

Meanwhile, the Korean and Chinese sides had earlier proposed to the UN Command a flexible proposition that if the United States persists in making a South Korean Army general sit together with us, it should provide at least a necessary legal system and device and that if necessary there can be negotiations toward this end.

This notwithstanding, the UN Command has created a grave situation by appointing an unqualified and powerless South Korean Army general as a senior member, thereby making exchange of telephone messages and letters in the name of a senior member, as well as MAC meetings, impossible.

The Korean and Chinese sides to the MAC resolutely denounce the UN Command side for having paralyzed the major operations and functions of the armistice supervisory institutions.

The U.S. side's paralyzation of the major operations and functions of the MAC is a deliberate provocation designed to strain the tension on the Korean peninsula. The U.S. side will be held fully responsible for all consequences arising therefrom.

[Dated] 27 March 1991, Panmunjom

South's Name List of IPU Attendees Requested

SK2703095991 Pyongyang Domestic Service in Korean 0900 GMT 27 Mar 91

[Text] Yang Hyong-sop, chairman of the DPRK parliamentary group, today sent a telephone message to Pak Chun-kyu, chairman of the South Korean parliamentary group in connection with the 85th Interparliamentary Union [IPU] conference.

In the telephone message, he requested that the South side provide him with the name list of the South Korean National Assemblymen and their suite members who will participate in the 85th IPU conference now that is one month away. This conference will fully demonstrate the volition for peace to the world with parliamentary delegates of the North and the South jointly participating in it.

As to the route which the South Korean delegation will use to travel to the North and return to the South, the telephone message noted that although the North side cannot allow, in principle, the South Korean delegation to pass through Panmunjom because of the present North-South relations which are strained owing to the Team Spirit joint military exercise, it has decided to receive the delegation through Panmunjom as an exception out of the ardent desire for national reconciliation, unity, and reunification.

Single N-S Table Tennis Team Arrives in Japan

SK2603110391 Pyongyang Domestic Service in Korean 2100 GMT 25 Mar 91

[Text] The North-South players of the single Korea table tennis team arrived in Tokyo, Japan by airplane yesterday.

The North side's players, including Kim Hyong-chin, head of the team, who is vice chairman of the DPRK Olympic Committee, arrived there. And, the South side's players, including Kim Chang-chae, general director of the team, who is executive director of the South Korean Table Tennis Association, also arrived there.

A large number of the Korean compatriots in Japan, holding rooter's pennants in their hands, welcomed the players of the single North-South table tennis team and other members of the team, with the sentiment of one's own flesh and blood, at the airport.

Flags reading, "Welcome, Korean team; we warmly welcome our team," were seen among the masses.

The team was met at the airport by (Ogimura Yijjiru), chairman of the International Table Tennis Union, members of the organizing committee of the 41st World Table Tennis Championships, and other functionaries concerned.

In addition, the team was met at the airport by So Man-sul, vice chairman of the Central Standing Committee of the General Association of the Korean Residents in Japan [Chongnyon] and joint chairman of the Korean Compatriots' Joint Welcoming Committee for the Korean Team of the 41st World Table Tennis Championships. The Joint Welcoming Committee is composed of Chongnyon and the South Korean Residents in Japan. The team was also met at the airport by other figures concerned.

Bouquets were given to players. At the airport, Kim Hyong-chin, head of the team, and Kim Chang-chae, general director, shook hands. After this, the players of the North side and the South side intermingled.

The people, who came there to welcome the team, were impressed and pleased at the fact that a national happy event was realized for the first time since the North and the South were divided. They warmly welcomed the team, which will demonstrate to the entire world the wisdom and honor of the nation, by participating in the international team as a single team, with the sentiment of compatriots. The team returned the warmest salute to the people.

The team left Tokyo for Nagano Prefecture, first training site, yesterday.

Table Tennis Leader Holds News Conference

SK2603155491 Pyongyang KCNA in English 1504 GMT 26 Mar 91

[Text] Nagano March 26 (KNS-KCNA)—The Korea Unified Team to the 41st World Table Tennis Championships held a press conference today at Nagano City, Nagano Prefecture, Japan, their first training site.

At the press conference, Kim Hyong-chin, head of the unified team, released an arrival statement.

He expressed deep thanks to the International Table Tennis Federation and the members of the organizing committee of the championships for having consistently supported the formation of the unified team and provided all conveniences for the training of the team on the spot.

He said:

The long-cherished birth of the first unified team of the nation put a period to the humiliation and tragedy imposed on our fellow countrymen and athletes.

For the paddlers from the North and the South of Korea, the preceding world table tennis championships were shameful events of mutual confrontation, but the forthcoming championships in Chiba will be a historic, noble and auspicious sports festival for reunification at which they will join hands in reconciliation and unity and pool their strength to demonstrate the excellent skills of the nation.

At this moment, we keenly feel that although the North and the South have long taken different paths, there is no wall of division but blood of the same nation flowing like a river in the hearts of our fellow countrymen and athletes and that our fellow countrymen can no longer live separated.

The North and the South have already been reunified in sports and the hearts of our athletes united into one.

We are convinced that our motherland will be reunified at an early date as the hearts of our paddlers have been united into one.

Our Korea team will display the honour of the nation and contribute to the development of the table tennis of the world by giving full play to their fine talents and techniques amid warm blessings of the Japanese people and the 700,000 Koreans in Japan and make all sincere efforts to make the Chiba Table Tennis Championships shine as a historic event fully embodying the noble idea of peace, friendship and unity and noble sportsmanship.

U.S., South Hold Joint Aerial Exercises 24 Mar

SK2603045491 Pyongyang KCNA in English
0408 GMT 26 Mar 91

[Text] Pyongyang March 26 (KCNA)—The U.S. Pacific Airforce command staged a joint air-strike exercise against the North in the skies above South Korea on March 24 according to the programme of the provocative "Team Spirit 91" joint military maneuvers, according to military sources.

Mobilized in the aerial war game in the skies above Nonsan and Woeyondo were formations of Pacific-based nuclear-capable F-15 and F-16 fighter-bombers and dozens of F-5 fighter-bombers belonging to the puppet airforce.

The U.S. imperialists let high-altitude strategic reconnaissance planes, tactical reconnaissance planes and electronic reconnaissance planes fly 24 times in the skies above the areas along the military demarcation line and Tongduchon and Kimpo on March 24 and 25 for concentric espionage and air photographing of objects in the strategic depth and frontline areas of our side.

Earlier, on March 22, they mobilized formations of A-6 and AV-8 assault planes and vtols [vertical takeoff and landings] from Iwakuni Base in Japan in an aerial war exercise for a surprise attack on the targets of our side on the east coast.

On the same day, they brought transport planes carrying lots of combat equipment and formations of mid-air refuelling tankers and vtols from the U.S. mainland and Pacific bases and deployed them in Osan Airforce Base.

'Pro-American Flunkeyist' ROK Policy Viewed

SK2603152091 Pyongyang KCNA in English
1458 GMT 26 Mar 91

[Text] Pyongyang March 26 (KCNA)—Prof. Kim Songhun of Chungang University in Seoul criticized disgraceful pro-American flunkeyist nature of the South Korean authorities disclosed in opening agro-livestock market.

His article criticizing the authorities' pro-American flunkeyist nature was carried in the South Korean newspaper MINJU ILBO.

In the article the author wrote that the authorities yielded to the insolent trade pressure of the United States as if it were a natural "diplomatic action."

It is a "policy" of the authorities that greatest concession should be made to calm down the anger of the United States, he said, adding: It was clearly manifested in unconditionally meeting the demand of the United States at the "Uruguay Round Negotiations".

Saying that the authorities' policy toward these negotiations is to open market to all agricultural produce and gradually allow the import of even rice, the author pointed out that it is the authorities' stand and attitude to make only unilateral submission and concession.

The attitude of conceding to everything if the other side gets angry is chiefly attributable to the fact that those depending on the United States have sovereignty, the author said.

Noting that they regard dependence on the United States as a shortcut to luxury and success in life, the author wrote: There has come to strike its root flunkeyist slavish nature that one should be in good graces of a big power if he is to succeed in life and one should please it as much as possible if he is to come to "power".

NODONG SINMUN Views South's Elections

SK2603052991 Pyongyang KCNA in English
0427 GMT 26 Mar 91

["'Democratization' Advertised by Dictator Is Sham"—KCNA headline]

[Text] Pyongyang March 26 (KCNA)—NODONG SINMUN today comments on the hypocrisy of the "democratization" advertised by the No Tae-u group as regards the "assembly elections in small districts", that is, for small city, county and municipal ward, scheduled in South Korea today.

As soon as the "local assembly elections" were put on the order of the day, the No group launched into a persistent offensive to seat its confidants in groups in the "local assemblies" while obstructing the righteous action of the pro-reunification democratic forces with the mobilization of all the repressive forces and administrative power.

It is a foregone conclusion that in the current "elections", the No group will rig the "majority election" of the members of the "Democratic Liberal Party" through violence and fraud, the news analyst says, and continues:

The South Korean authorities are chanting "fair elections" like a monk's prayers, describing these "elections" as "a touchstone of democratic development" and as "the last practical task for democratization".

The situation in South Korea, however, proves that such rigmarole of the No group is nothing but an appeasement and deception to cover up its fascist color in blocking the course of democratic development at the point of the bayonet and turning South Korean society into a wasteland of democracy which surpasses the "Yusin dictatorship" and the "Fifth Republic" and create illusion about democracy among people and thus quell the rising resistance movement of the people.

The No group's "commitment to fair elections" has turned out to be an empty talk this time.

It is the height of sarcasm and an intolerable mockery of and insult to the patriotic democratic forces for the fascist hangmen to talk about "democratic politics" and "fair elections" while binding the righteous-minded people calling for independence, democracy and reunification in chains and keeping innocent people behind the bars.

If democratic development is to be achieved and fair elections be held in South Korea, the present fascist dictatorial "regime" must be replaced with an independent democratic regime which can practically guarantee the popular masses freedom and rights.

NODONG SINMUN Article on Japan Ties

SK2703063991 Pyongyang KCNA in English 0440 GMT 27 Mar 91

[Full text of NODONG SINMUN article, "After Watching Second DPRK-Japan Talks," by the press group which accompanied the government delegation of the Democratic People's Republic of Korea]

[Text] Pyongyang March 27 (KCNA)—The second round of full-dress talks between government delegations of the Democratic People's Republic of Korea and Japan for the normalisation of diplomatic relations was held in Tokyo over March 11-12.

At the talks the sides again made clear their basic stand towards the four items put on the agenda.

Already at the first round our side had given full accounts of its stand toward these points.

In the discussion of the basic issue as regards the normalisation of DPRK-Japan diplomatic relations, the first item on the agenda, at the first round of full-dress talks, our side said it was desirable for the two sides to establish diplomatic relations on the principle that the two sides recognize each other's sovereignty and that Korea is one and she must be reunified in a peaceful way, on condition that Japan officially apologizes for the disasters and losses she had inflicted on the Korean people in the past period.

And we proposed that Japan declare all treaties and agreements she had imposed on old Korea illegal and invalid.

On the problem of compensation, the keypoint of the second item, our side claimed that Japan must make a material compensation besides apology for her past crimes and, in this, the form of reparation between belligerent parties and the form of property claim must both be applied because the past Korea-Japan relations were not only the relations between a suzerain state and a colony but also were all along relations between warring states.

And, our side claimed that Japan must compensate also for the enormous losses caused by her while remaining hostile to our people for the 45 post-war years, as specified in the three-party joint declaration.

In the third item on the agenda, as regards signing the nuclear safeguards accord raised by the Japanese side as an international problem, our side made clear its principled stand, arguing that this is, by nature, not a question to be discussed at the DPRK-Japan talks, that we had never refused to sign the accord, that, if a nuclear inspection is to be made, the U.S. Forces' nuclear bases in South Korea must be inspected simultaneously and the United States should take measures to remove its nuclear threat to us, and if this problem is to be resolved, there must be negotiation between the DPRK and the United States and requested that, since the Japanese side raised this question, its government should give advice to the U.S. Government out of good will to respond to DPRK-U.S. negotiation on the nuclear safeguards accord and the Japanese side should support our fair proposal to turn the Korean peninsula into a denuclearised zone.

At the first round of talks our side proposed to affirmatively resolve the questions of the legal status of the Koreans in Japan and the Japanese spouses in Korea.

At the second round, the Japanese side clarified its views on our side's stand and argument set out at the first round and our side made clear again its opinion on this.

We could see in the assertions of the sides that there is commonness in the views in the main issues, that is, the DPRK-Japan relations must be normalized, human losses and material damages inflicted upon the Korean people by Japan be compensated, the legal status of Koreans in Japan be improved and the question of Japanese spouses be solved.

It could be seen, however, that there were differences on the ways of resolving these issues.

Pointing to the basic matter for establishing DPRK-Japan diplomatic relations, the Japanese side refused to accept our argument that treaties and agreements forced by Japan upon old Korea in the past were illegal and invalid, asserting again that they were "valid" at that time. But, it failed to present any historic material and ground to justify its assertion.

Our side thoroughly proved that the treaties and agreements forced by Japan upon old Korea were faked up by Japan by the use of arms and the treaties cooked up with the threat of bayonet were nothing but a camouflage to legalize Japan's occupation of Korea diplomatically.

When our side asked what the Japanese prime minister meant when he himself officially apologized for the misfortunes and sufferings inflicted upon the Korean people in the past, if the treaties forced upon old Korea by Japan were "legal", the Japanese side failed to give any answer.

We could not understand the Japanese side's assertion that for the establishment of DPRK-Japan diplomatic relations, the bounds of jurisdiction of the DPRK should be made clear.

As our side demanded, the establishment of diplomatic relations between countries means legal recognition of each other.

Accordingly, it is out of question to establish diplomatic relations after confirming the bounds of the other's jurisdiction.

If diplomatic relations could be established only when the bounds of jurisdiction are defined as contended by

the Japanese side, how could Japan establish diplomatic relations with no small number of countries with territorial disputes?

There is no need to ask about the bounds of jurisdiction. What the DPRK and Japan should do is to recognize the sovereignty of each other and establish relations in accordance with the international usage.

If a problem of jurisdiction arises in our country, it is an internal affair of the nation to be settled between the North and the South of Korea, and Japan is not requested to meddle in and "judge" it.

In the discussion of the second item on the agenda, the Japanese side showed that it was trying to veil its past crimes at any cost and convert it into a sort of monetary dealing, while saying that it would compensate the tremendous disasters and losses inflicted by it upon our people in the past. One of its striking instances is that the Japanese side contended that as the past Korea-Japan relations were not the relations between belligerent nations, there can not be a problem of reparation but be the problem of property claim.

In an attempt to justify this wrong assertion, the Japanese side even said that as the anti-Japanese armed struggle of the Korean people was mainly waged in the Manchuria though some part of it was waged in the territory of Korea and, therefore, it could not be considered that Korea and Japan were at a warring state.

This is a far-fetched argument that cannot go down with anyone.

On the contrary, this is only tantamount to admitting that Korea and Japan were in a warring state. It is widely known stark fact that the Korean People's Revolutionary Army fought the Japanese Army, no matter where the anti-Japanese armed struggle was waged, in the homeland or in the Manchurian wilderness.

What is this, if not a state of war?

During the Japanese colonial rule, as many as one million people were killed. How can Japan get off with mere apology for this, without material compensation? Recognizing this assertion of our side, the Japanese side tried to bypass it with the promise that it would take it into "consideration" in the "property claim".

With no unjustifiable pretext, however, can the Japanese side ever shirk the obligation to compensate the human and material losses inflicted upon our people in the 36 years.

The Japanese side attempted by hook or by crook to evade the obligation to compensate the losses brought to our people in 45 years following the war.

In attempt to justify its joining in the U.S. war of aggression against Korea, the Japanese side even quoted words of a foolish scholar of a country which reversed black and white as regards the outbreak of the Korean war and came out with the "U.N. resolution" illegally fabricated through the mobilization of the hand-raising machine at that time.

Worse Still, the Japanese side contended that Japan had not taken a hostile policy toward the DPRK but vice versa and, to prove this, even quoted words of the programme of the Workers' Party of Korea stipulating a struggle against Japanese militarism. This makes us think that it went the length of quoting such words, unable to find any more excuse.

Off-handedly, our side said: It is only too natural for the Korean people who had undergone bitter sufferings at the hand of Japanese militarism to oppose its revival. The entire Asian people express concern over the revival of Japanese militarism. Why is it wrong to stipulate in the programme of our party to struggle against the revival of Japanese militarism? Does it mean that you Japanese support the revival of militarism?

To this the Japanese side replied that it does not support the revival of militarism either and then could say no more.

Ill-boding in the attitude of the Japanese side at the second round also is that it raised matters which had nothing to do with the DPRK-Japan talks as preconditions to the talks.

Stating that it intended to promote the DPRK-Japan talks in keeping with the progress of the North-South dialogue, the Japanese side even expressed regret to our side at the suspension of the North-South premiers talks.

The reality, however, is a far cry to what it said.

The North-South high-level talks was suspended entirely because the United States and the South Korean authorities, ignoring our sincere peaceful demand, started again the "Team Spirit" joint military exercises.

It is an elementary common knowledge that dialogue is impossible when one side is bringing dark clouds of a nuclear war exercises against the other side.

The DPRK-Japan talks is fundamentally different from the North-South talks either in nature or in content. So, the two talks can not keep pace with each other.

The DPRK-Japan talks began out of the common desire to normalise the diplomatic relations between the two countries. But, at the North-South talks, the purposes and aspirations of the two sides do not agree with each other.

We want the North-South dialogue to be a dialogue truly for reunification, but the South side seeks to abuse the dialogue for the purpose of freezing the division of the country, dragging on it. How can the two talks which are different from each other in purposes and desires keep pace with each other?

It is still more unbecoming for the Japanese side, despite this clear fact, to express to us regret for the suspension of the North-South high-level talks.

In this connection, our side accused the Japanese side, saying our side has consistently demanded Japan to give up one-sided policy favoring South Korea, and why it is siding with the South Korean authorities and refusing to renounce its one-sided policy even at the bilateral talks for the normalization of diplomatic relations and how a success can be expected of the Korea-Japan talks if the Japanese side takes such an unfair stand.

Failing to find words of excuse, the Japanese side said it would "take note of" the opinion of our side in the future.

It was another stumbling block at the talks that the Japanese side came out with the matter of the nuclear safeguards accord.

The Japanese side said that it would be difficult to establish diplomatic relations if this matter were not settled. Our side recalled that in this regard our Republic had declared more than once it had neither intention nor ability to develop nuclear arms, and logically proved the unreasonableness of the Japanese side's demand.

Nuclear inspection is, by nature, a matter to be solved between our Republic and the United States. There is no ground to draw it into the Korea-Japan talks.

The Japanese side expressed apprehensions only for us who have not developed nuclear arms nor have ability to do so. Then why does it not express concern over the 1,000 pieces of nuclear weapons deployed in South Korea? No one can consider that the nuclear weapons may fly only toward the North.

It is not that our Republic refuses to sign the nuclear safeguards accord under the nuclear non-proliferation treaty. Our demand is that, if nuclear inspection is to be made, the U.S. Forces' nuclear bases in South Korea also should be inspected.

And, if only the United States takes measures for removing nuclear threat to our Republic and gives a legal security commitment, we are ready to sign the nuclear safeguards accord any time. Saying this, our side contended that this question must not be drawn into the Korea-Japan talks.

Recalling that the prime minister and other government leaders on the Japanese side had stated more than once that they would have negotiation for the normalization of Korea-Japan diplomatic relations without precondition, our side asked why the Japanese side is now raising the matter of the nuclear safeguards accord as a precondition?

As regards this, the Japanese side made an ambiguous excuse that it promised to have dialogue without any precondition, but not to establish diplomatic relations without that.

This meant in fact that the Japanese side admitted itself that it could not find any word to excuse itself.

At the talks, the Japanese side persistently raised the matter of the North-South dialogues and the question of the conclusion of the nuclear safeguards accord as a precondition for the DPRK-Japan talks. It makes us doubt if it came to the negotiations for the normalization of the DPRK-Japan relations with real autonomy or danced to the tune of others.

It is already a known fact that it is none other than the United States and the South Korean authorities who openly exercise pressure on the Japanese side to include the matter of the North-South dialogues and the question of the signing of the nuclear safeguards accord in the agenda items of the DPRK-Japan talks.

The Japanese side should refrain from such practices as heeding other's entreaties and laying obstacles on the way of the DPRK-Japan talks.

There was certain progress over some matters at the second round of the talks.

The Japanese side expressed its willingness to improve the legal status of Koreans in Japan, clarifying its stand not to antagonize and suppress the General Association of Korean Residents in Japan (Chongnyon).

Our side expressed the expectation that the Japanese side would honour its commitments.

As regards the problem of Japanese spouses in Korea, the two sides came to an understanding in principle.

Though different views and conflicting opinions emerged between the sides at the second round of the talks, an atmosphere of friendship and mutual understanding prevailed there.

While meeting twice, the two sides have come to get better knowledge of each side's stand and views.

It was decided to hold the third round of the talks in Beijing in mid-May.

Whether progress would be achieved at the talks or not entirely depends on whether the Japanese side has the willingness to totally liquidate the past abnormal relations between the DPRK and Japan honestly out of an independent stand and solve the question regarding the normalization of DPRK-Japan relations with sincerity or not.

The Korean and Japanese peoples and the peaceloving peoples in Asia and the world will follow with keen interest how the forthcoming talks will proceed.

Japan Youth Council Publishes Chuche Paper

SK2603105191 Pyongyang KCNA in English 1012 GMT 26 Mar 91

[Text] Pyongyang March 26 (KCNA)—The Japan Youth Liaison Council of Societies for the Study of the Chuche Idea published newspaper "CHUCHE IDEA" No. 227.

The paper prints a picture the great leader President Kim Il- song had taken with the members of foreign delegations who participated in the celebrations of the 45th anniversary of the founding of the Workers' Party of Korea [WPK].

Under the title "Secretary Kim Chong-il Receives Foreign Delegates" it reports that the dear leader Comrade Kim Chong-il received delegations of different countries who participated in the 45th anniversary of the WPK founding.

The paper says it is of great importance in the study and dissemination of the chuche idea that Comrade Kim Chong-il granted an audience to followers of the chuche idea.

It informs the readers that on that occasion, President Kim Il-song gave a banquet at the Kumsusan Assembly Hall and made a historic speech and various functions including the international seminar on the chuche idea for the building of a man-centred new society were held in Pyongyang.

Carried in it are articles entitled "Country Where Simple People Are Masters" and "West Sea Barrage Which Prevented Flood," an account of the Korea visit of the Liberal Democratic Party (LDP) and the Japan Social-Democratic Party (JSDP) and the full text of the joint declaration of the Workers' Party of Korea, the LDP and the JSDP on the Japan-DPRK relations.

The paper also reports that activities were brisk in different parts of Japan to study and disseminate the chuche idea.

Yi Chong-ok Meets Visiting Thai Princess

SK2603152291 Pyongyang KCNA in English
1503 GMT 26 Mar 91

[Text] Pyongyang March 26 (KCNA)—Vice-President Yi Chong-ok met and had a friendly conversation with Her Royal Highness Princess Maha Chakri Sirinthon of the Kingdom of Thailand paid a courtesy call on him who at the Mansudae Assembly Hall today. [sentence as received]

Present there were Vice-Premier Kim Pok-sin, Vice-Minister of Foreign Affairs Cho Kyu-il and Thai Ambassador to Korea Montri Chalichan.

WPK Greets Lao People's Revolutionary Party

SK2603105091 Pyongyang KCNA in English
1019 GMT 26 Mar 91

[Text] Pyongyang March 26 (KCNA)—The Central Committee of the Workers' Party of Korea [WPK] today sent a message of greetings to the Fifth Congress of the Lao People's Revolutionary Party [LPRP].

The message says that after the victory of the revolution the fraternal Lao people have made a big stride in the efforts to build an independent and democratic new Laos under the leadership of the Lao People's Revolutionary Party headed by Comrade Kaysone Phomvihan.

Believing that the Fifth Congress of the LPRP will be an important occasion in strengthening and developing your party, consolidating the people's democratic system and accelerating the social and economic development of the country, we wish you success in the congress, it says.

The message expresses the conviction that the friendly and cooperative relations between the two parties, two countries and two peoples will grow stronger and develop.

Meeting Held on Uniform Price Policy 25 Mar

SK2603045291 Pyongyang KCNA in English
0412 GMT 26 Mar 91

[Meeting Marking 20th Anniversary of Publication of President Kim Il-song's work" —KCNA headline]

[Text] Pyongyang March 26 (KCNA)—A meeting was held Monday to mark the 20th anniversary of the publication of "On Some Problems Arising in Implementing the Uniform Price Policy," (March 26, 1971) a classical work of the great leader President Kim Il-song.

The work makes clear theoretical and practical problems arising in shaping and executing a price policy by the party and state of the working class in power in such a manner that it can contribute to stepping up socialist construction and improving people's standard of living.

As the great leader Comrade Kim Il-song expounded a unique idea on the uniform price policy, our people have been able to deal with the matter of prices of the country in the interests of the party and state and the people, said Chong Myong-kap, chairman of the State Price Fixing Commission, in a report, at the meeting.

With a thorough implementation of uniform price system in consumer goods, our people buy goods at the same prices everywhere, whether in big cities or in mountain villages.

Prices have been lowered in our country on more than 50 occasions since the liberation of the country and the prices of mass consumption goods and children's goods are fixed very low, the state compensating for them.

Anniversary of Kim Il-song's Price Policy Work

SK2703114091 Pyongyang KCNA in English
1037 GMT 27 Mar 91

[Text] Pyongyang March 27 (KCNA)—NODONG SINMUN today carries an article contributed by Chairman of the State Price Assessment Commission Chong Myong-gap on the occasion of the 20th anniversary of the publication of the classical work of the great leader President Kim Il-song "On Some Problems Arising in Implementing the Uniform Price Policy" on March 26, 1971.

The work comprehensively expounds the essence of the policy of uniformity of prices and the need of unifying prices, the principled requirement, tasks and way of implementing the policy of price uniformity.

It also indicates tasks of the working-class party and state to make a proper use of the price lever for the development of the socialist economy and the improvement of

the people's living standards and, in particular, correctly set the prices of goods in conformity with the specific features of transitional socialist society.

The author of the article continues:

Uniformity of prices, by thoroughly ensuring the planned management and operation of the national economy, makes it possible to give full play to the advantages of the socialist economy as a planned economy.

And it plays an important role in improving the people's living evenly and systematically, thus bringing into full play the advantages of the socialist system under which the state is responsible for and takes care of the people's life.

Unifying prices does not mean that the state price assessment body should undertake the work of fixing the prices of all products or unconditionally apply uniform prices to all goods.

In socialist society there are the state sector of the economy which reresents all-people property, as well as the cooperative sector and sideline production by individuals.

Uniform prices should be applied, in principle, to the products manufactured by the state sector of the economy which uses modern means. As regards the products of the cooperative sector, the state price assessment body ought to set standard prices and control the prices and let the individuals mark the prices for their sideline products.

In our country priority is given to the interests of the state and the social collective in price fixing while taking into consideration the interests of the individual small groups and individuals. As a result, harmony is ensured in the society and the relations between people have turned into comradely relationship in which they help and lead each other along, not commodity-money relations.

Musan Mining Complex Rally Held; Tasks Noted

SK2703075891 Pyongyang Domestic Service in Korean 2200 GMT 24 Mar 91

[Text] At the Musan Mining Complex—the iron ore concentrate production base of the northern region—a new militant spirit is now full of life and the fervor of loyalty is vigorously being carried out.

New standards and new records are being made continuously in every miners post and work site such as the miners and those engaged in stripping mining of Cholsanbong and the ore hauling brigade and ore dressing plants. Therefore, the targets for January and February were achieved brilliantly and in late March a proud result of producing everyday on the average 3,000 tons of iron ore concentrate, which is more than the planned target, was achieved.

A rally was held on-the-spot yesterday at the complex of its employees to elucidate our party's leadership achievements over the Musan Mining Complex and to effect a new revolutionary turning point in the production of the iron ore concentrate before 15 April and 16 February 1992.

Kim Pong-chu, director of a department of the Central Committee of the Workers Party of Korea [WPK]; Won Tong-ku, chairman of the Central Committee of the General Federation of Trade Unions of Korea; Kim Chung-il, chairman of the Administrative and Economic Guidance Committee of North Hamgyong Province; Chong Chae-ung, vice minister of the Ministry of Metal Industry; and other functionaries concerned participated in the rally with the employees of the complex and functionaries of the related units of the trade union.

After making a report by Yi Hyon-u, responsible secretary of the party committee of the Musan Mining Complex, Choe Kil-chu, assistant chief engineer; Won Yong-chun, manager of the general ore dressing workshop; Yu Song-su, operator of the fourth revolving-style well-digger machine; Choe Sung-ho, manager of the engineering sub-plant; and Kim Song-ki, chairman of the trade union of the Taean Heavy Machine Complex, held discussions.

The reporter and debaters said that this rally was being held so that all the people of the whole nation can firmly unite around the great leader and the party to achieve a new revolutionary upsurge in all the fronts of the socialist construction and so that they can bring about a revolutionary turning point in the production of the iron ore concentrate during the complicated period of the all-march movement of the nineties, which is being carried out vigorously.

They talked about the great leader deeply considering the position and importance the metal industry has, in the development of the nation's self-dependent economy; about the great leader visiting the Musan Mining Complex on various occasions to elucidate the direction and method of which the complex should move toward; and about how the great leader warmly took interest in the lives of the miners.

They emphasized that dear Comrade Kim Chong-il who is brilliantly realizing the high intention of the great leader, made it possible during the past to normalize the production of the iron ore concentrate at a high level at the Musan Mining Complex, and made it possible to vigorously press ahead with the constructions so that the capability of expanding the mining work can be achieved. They also emphasized that dear Comrade Kim Chong-il provided them with various modern equipment such as large sized trucks, excavators, and revolving-style well-digger machines, thus changing the complex into a leading iron ore concentrate production base as today.

They said that they give the greatest honor and warmest thanks to the great leader and dear Comrade Kim Chong-il which is filled with the consistent loyalty of the participants of the rally.

The dear leader Comrade Kim Chong-il has taught: The more we receive thoughtful consideration and benefit from the leader, the more we must make efforts to repay him.

The reporter and debaters said that repaying with loyalty the great faith and love of the party and the leader is a just duty and sacred obligation of a revolutionary fighter and expressed the determination that before 15 April and 16 February 1992, more iron ore concentrate must be produced so that our party's leadership achievements regarding the Musan Mining Complex can be further elucidated.

They said that in order to achieve this, according to the intention of the party, priority must be given to stripping, excavating the production, and further strengthening the struggle to maintain the open mining sites with a long-range plan so that the mining [word indistinct] can be increased to 5,000 meters within the early part of this year and to 6,000 meters within the latter part of this year. They also said that by carrying out the equipment management, productivity per unit of the revolving-style well-digger machines and excavators will be further enhanced compared with the past.

They also talked about sufficiently supplying the output in the underground mines, and in accordance with the increasing number of revolving-style well-digger machines in its operation, more [word indistinct] must be produced and quickly accelerate to finish the repair work of electricity in the general ore dressing sites. They also talked about enhancing the rate of operation of the facilities in the ore dressing sector including crushers and grinding machines.

They said that with the rock-firm faith of, "what the party decides, we will do," they will further firmly provide the material basis to the [word indistinct] sub-plant and to the [word indistinct] sub-plant so that more components necessary in the normal operation of mining and ore dressing facilities can be produced and further carry out the struggle to strengthen the cast iron production base.

They said that rapidly accelerating the Musan Mining Complex constructions so that the capability of expanding the mining work can be achieved, is to guarantee the appointed date of operation. They added that this is a very important problem in increasing the production of iron ore concentrate on a long-term plan. They said that with the loyalty toward the party and the leader which is even hotter than fire, they must consistently and vigorously launch into the current construction so that the capability of expanding the mining work can be achieved to construct the remaining seven plants within the first half of this year, and to strengthen the current and future surveys so that more mineral reserves can be ensured.

They said that in order to successfully carry out the extensive tasks put before the complex, all the functionaries and workers must highly display the revolutionary trait of carrying out the entrusted production tasks without fail with the spirit of absoluteness and unconditionality which is in accordance with the great leader's teachings, and executing the party's decision.

The reporter and debaters talked about highly upholding our party's three revolutionary lines; about vigorously carrying out the movement to win the Red Flag of the three revolutions and the movement to learn from the example of unsung heroes; and about the functionaries going deeply into the masses according to the demand of the Taean work system to give priority to the political work, and to lead the masses by showing personal examples.

Therefore, the reporter and debaters consistently emphasized the need to produce some additional 400 tons of iron ore concentrate from January of this year to mid-April next year, compared with the same period of last year.

A written pledge to support the Central Committee of the WPK was adopted at the rally.

Next, a socialist emulation program to significantly celebrate the upcoming events of 15 April and 16 February 1992 was announced.

Students Develop 'Scores of New Machines'

SK2603105791 Pyongyang KCNA in English 1017 GMT 26 Mar 91

[Text] Pyongyang March 26 (KCNA)—More than 250 student inventors were registered in Korea during the last one year.

Most of them in their twenties are enrolled at Kim Il-song University.

Students of the university have completed their studies which are of great value in developing mathematics, physics, chemistry and biology.

Students of Kim Chaek University of Technology succeeded in developing various advanced technologies conducive to the upgrading of electronics and automation industries of the country.

Besides, students of other universities developed scores of new machines and equipment and solved new scientific and technological problems arising in developing shipbuilding, engineering and metal industries.

Tree Planting Activities in Pyongyang Described

SK2603154991 Pyongyang KCNA in English 1456 GMT 26 Mar 91

[Text] Pyongyang March 26 (KCNA)—Planting trees in spring is now brisk throughout Korea.

The General Bureau of Land Administration and the forestry stations in cities and counties have already planted tens of millions of trees with a plan to make forests in a prospective way such as a timber forest, a forest of economic value, a forest reserve and a forest for scenic beauty.

Tens of thousands of rare flowering-trees and more than 100,000 trees for scenic beauty were planted in pleasure parks and recreation grounds of Pyongyang.

In north Pyongan Province, trees are being planted in over 1,000 hectares a day with a plan to newly create forests of over 12,800 odd hectares this year.

A new 1,000 hectare forest of oil-bearing trees including pine-nut and walnut trees was created in south Pyongan Province, north and south Hwanghae Provinces and Kangwon Province, in the latest days.

Korea has set it as a goal this year to plant trees in over 5,000 more hectares than last year.

Anniversary of Literature Union Group Marked

SK2603053091 Pyongyang KCNA in English
0416 GMT 26 Mar 91

[Text] Pyongyang March 26 (KCNA)—A meeting commemorating the 45th anniversary of the foundation of the General Federation of the Unions of Literature and Arts of Korea (GFULAK) (March 25, 1946) was held Monday at the Pyongyang grand theatre.

In his report Paek In-chun, chairman of the Central Committee of the GFULAK, said that the great leader Comrade Kim Il-song established the revolutionary traditions of our literature and arts in the period of the anti-Japanese revolutionary struggle and, on this basis, founded the GFULAK, a federal organisation embracing unions of all sectors of literature and arts including literature, fine arts and music.

The foundation of the GFULAK provided a public organisation of literature and arts to successfully realise the party leadership and opened the road of building new national literature and arts with the collective guidance of the organisation and concerted efforts of writers and artistes, he said.

He recalled that the great leader Comrade Kim Il-song and dear Comrade Kim Chong-il have wisely led the building of literature and arts.

He called upon all the writers and artistes to firmly ahere to chuche-orientation, party-spirit and working-class spirit in the field of literature and arts and energetically create literary and art works with the same revolutionary zeal and stamina with which they created the five major revolutionary operas.

Cultural Remains, Relics in Pyongyang Reported

SK2603104891 Pyongyang KCNA in English
1002 GMT 26 Mar 91

[Text] Pyongyang March 26 (KCNA)—Pyongyang abounds in historical monuments and relics showing the struggle of the Korean people and history of their creation.

Oldest among them are the Komunmoru remains in a cave (one million years old) in Sangwon County and remains in Taehyondong, Yokpo District, belonging to the early paleolithic era.

Remains in Kumtan-ri, Sadong District, belong to the neolithic era.

Not a few relics of the bronze age are also known.

Pyongyang, the capital of Koguryo from 427 to 668, is rich in historical monuments and relics such as royal palace, city wall, mountain wall, mural paintings of tombs and temple sites.

The Anak Palace, the Pyongyang wall and Taesongsan Wall, the Taedong Gate, the Potong Gate and Ulmildae Pavilion and other walls, wall gates and pavilions were built in those days.

The Anak Palace was the royal palace of Koguryo consisting of five architectural groups including the middle palace.

Now only its site remains.

The Taesongsan Wall was to defend the capital. The wall is 7,076 metre long, which encompasses some 2.7 square kilometres. It is one of the biggest among the 800 walls in our country.

The Pyongyang Wall was built by Koguryo from 552 to 586.

Part of the wall remains on Moran Hill and its site in Pyongchon District.

There are groups of Koguryo tombs in Pyongyang.

Typical of them are hundreds of tombs at southwestern and southeastern feet of Mt. Taesong and the tombs around the tomb of King Tongmyong in Yongsan-ri, Yokpo district.

Among them there are sixteen tombs of mural paintings including the tomb of King Tongmyong and Chinpari Tombs Nos. 1 and 4.

As temple sites, there are the site of Yongmyong Temple on Moran Hill, the site of Kumgang Temple in Chongam-tong, Taesong District, and the site of Chongnung Temple recently unearthed in Yongsan-ri, Yokpo District.

There are many valuable relics conducive to historical study and cultural treasure-house among relics unearthed around Pyongyang.

There are rude stone implements and bone fossils of "Yokpo man" unearthed in the Komunmoru historical site, a gem-inlaid girdle unearthed in Tomb No. 37 in Chongbaek-tong dating back some 2,100 years, and Buddhist sutras, gold and silver Buddhist figures belonging to the Koguryo Dynasty.

These relics are preserved in the Korean Central History Museum and other museums.

Cultural remains and relics are well preserved and taken good care of according to the policy of the Government of the DPRK and new relics and remains are being continually sought and unearthed.

South Korea

Appointment of General as MAC Member Hailed

SK2703072791 Seoul CHUNGANG ILBO in Korean 26 Mar 91 p 2

[Editorial: "North-South Relations and the Replacement of the Senior Member of the Military Armistice Commission"]

[Text] It is expected that the appointment of an ROK general to be the MAC [Military Armistice Commission] senior member will open a new chapter in the military and political relations between the North and the South.

With this event, as well as with the North-South high-level talks led by both sides' prime ministers which were begun last year, it is expected that the replacement of the MAC senior member will be of decisive help in easing mutual military tension.

The Panmunjom MAC meetings led by the U.S. general and the North Korean general as senior members have, in fact, been an old battlefield for the 38 years since the Armistice Agreement was concluded. North Korea's unchanged theory, which is tantamount to a far-fetched allegation, should have been interpreted for the U.S. generals. Thus, it can be said that the MAC meetings have been a place for exchanging sentiments of mutual slander, rather than a place for making peace efforts.

The practical signatories of the Armistice Agreement are the North and the South. Strangely, in spite of this, the MAC meetings have been led by the U.S. Forces and the North Korean military delegates. Such an abnormal situation has endured. The North and South Korean forces, which have confronted each other along the entire length of the truce line except for Panmunjom, have not had an official dialogue channel. Even though the ROK forces' general has, of course, attended the MAC meetings until now as deputy senior member [chasok taepyo]. However, he has not been given the opportunity to speak. Accordingly, the MAC meetings have been the most insubstantial meetings filled with useless refutations, not meetings for the exchange of each other's real opinions.

From the standpoint of the operational command handed over to the United Nations Command in the Korean war, and from the standpoint of military independence, this situation has been continually painful to the ROK side. Because of the government's policy of not agreeing on a cease-fire, the South side did not sign the Armistice Agreement, even though it was the partner directly concerned with the Korean war. For this reason, it is said that the North Korean side reacted by refusing to replace the MAC senior member with an ROK general.

However, it is expected that North Korea's refusal will not last long. North Korea's refusal is not consistent with its repeated demand that the North-South issue be discussed by the North and the South. In addition, North Korea has claimed in the North-South high-level talks that a treaty be concluded between the North and the South to ease military tension. And, it is stipulated in Subparagraph 20 of Article 2 of the Armistice Agreement that the appointment of the senior member is the original right of the commander of the United Nations Command.

What we want is to change Panmunjom into a forum for dialogue, with one side consisting of the U.S. and ROK, rather than the United Nations—which has a symbolic existence—and the other side consisting of North Korea and China. At the same time, we demand that a path of dialogue between the North-South military authorities be opened. The long cease-fire, which is unprecedented in the world, and the military confrontation can be settled only by joint efforts of the North and the South based on national common consciousness, rather than by indirect dialogue through foreigners.

We demand that the change of the MAC, in which direct dialogue will be held between the North and the South generals, be a starting point for easing military tension and for building trust. This has been discussed between the North and the South. Probably, our side's proposals—that the military forces around the Demilitarized Zone [DMZ] along the truce line be cut, and the DMZ be peacefully used—will be included as a way to ease military tension and to build trust. Though we may be premature in our expectations, we really hope that our proposals will form a basis for cutting military forces of the North and the South and for realizing peaceful reunification.

Delegates To Participate in North IPU Meeting

SK2703110191 Seoul YONHAP in English 1027 GMT 27 Mar 91

[Text] Seoul, March 27 (YONHAP)—North Korea will allow a 25-member South Korean delegation to participate in the 85th Inter-Parliamentary Union [IPU] meeting in Pyongyang from April 29, National Assembly officials said Wednesday.

Yang Hyong-sop, chairman of the North Korean Supreme People's Assembly, sent a message to National Assembly Speaker Pak Chun-kyu Wednesday afternoon in reply to Pak's Feb. 8 request that South Korea be allowed to send a 25-member delegation to the Pyongyang meeting in excess of the given quota.

Yang said in the message that South Korea can send only eight lawmakers and two advisors to the upcoming IPU meeting under the IPU rules and practices "but we will consider your wish. We believe there will be no problem for you to send a 25-member delegation by increasing the number of lawmakers and including some attendants and journalists.

"Considering the present North-South (Korean) relations made tense by the Team Spirit (joint South Korea-U.S. military) exercises, we were in no mood to let your delegation pass through (the truce village of) Panmunjom, but we have decided to allow your passage through

Panmunjom out of yearning for national reconciliation, solidarity and reunification."

The National Assembly will send a list of 25 participants including Chief Delegate Rep. Pak Chong-su to the northern side within this week.

North Army 'Demoralized' Over Work Mobilization

SK2703113191 Seoul TONG-A ILBO in Korean 27 Mar 91 p 2

[Text] It has been learned that the North Korean Army is further dissatisfied with its soldiers' participation in continual construction projects.

A government official from the National Unification Board said on 27 March: In spite of the mobilization order issued to the Army units in all parts of North Korea because of the recent Team Spirit exercise, North Korea has broadcast the soldiers' participation in construction projects several times. It was learned that the North Korean soldiers are demoralized due to their continual labor mobilization, and that they are largely dissatisfied with the party.

The official said: Out of 1 million soldiers in North Korea, 100,000 are, by turn, mobilized at all kinds of construction sites, such as projects for building plants, housing units, roads, bridges, and coal mines. This is because North Korea absolutely needs labor in quantity and quality as a result of the long-term military service of the youths between 18 and 30 years of age.

North Official: Team To Promote Unification

SK2603022491 Seoul YONHAP in English 0152 GMT 26 Mar 91

[Text] Nagano, Japan, March 26 (OANA-YONHAP)—South and North Korea's joint entry in the 41st World Table Tennis Championships will lead to both Koreas competing as one in the 6th World Youth Soccer Championships and the Barcelona Olympics, a senior North Korean sports official predicted Monday.

"The first joint single team in nearly 50 years of division will provide a breakthrough for national unification," Kim Hyong-chin, vice chairman of North Korea's Olympic Committee, told reporters during a train ride from Tokyo to Nagano, 160 kilometers to the northwest.

Kim called the team an offspring of the will of 70 million Koreans.

"How the Korean players and officials behave during training and in the matches will be the yardstick by which we can measure the possibility of unification," he said.

"Now that we are in one boat, North and South Korean players should try not to upset each other. It would be better if they put themselves [in] each other's shoes," said the No. 2 man in North Korean sports circles.

"It would be better for them to use separate rooms until they are familiar with each other and we will try to find the best way to make sleeping arrangements through consultation."

Kim was chief North Korean delegate to the inter-Korean sports talks on fielding a single team in the Beijing Asian Games last year and in the table tennis championships in Chiba, Japan, April 28 through May 6.

Single Korean Team 'Likely' in Aug Open

SK2703110091 Seoul YONHAP in English 1040 GMT 27 Mar 91

[Text] Nagano, Japan, March 27 (OANA-YONHAP)—A single Korean team is likely to take part in the 11th Pyongyang Open Table Tennis Championship in August, making the second case in the sports after the one to be held in Japan in April.

Kim Hyong-chin, a North Korean sports official now heading a unified Korean team to participate in the 41st World Table Tennis Championships, on Wednesday said, "If our team reaps outstanding results out of the coming competitions, we will consider fielding another single Korean team to the Pyongyang competition."

"Since two teams each in both men and women categories can make entry in the Pyongyang Open, Korea can send two squads," said Kim, No. 2 man in the North Korean sports circles.

The Pyongyang Open Table Tennis Championship has been participated chiefly by East Bloc countries, China and Japan.

Success 'Could' Lead to N-S Olympic Team

SK2703051091 Seoul YONHAP in English 0445 GMT 27 Mar 91

[Text] Nagano, Japan, March 27 (YONHAP)—South and North Korea could field a single team in both the Albertville Winter Olympics and the Barcelona Summer Olympics next year if their joint Table Tennis team is a success, South Korean vice sports and youth minister Kim Yong-kyun said Wednesday.

"Success of the Korean table tennis team will bring up the issues of formation of a single team for next year's summer and winter olympics between South and North Korea," he said at the training camp in Nagano, 160 kilometers northwest of Tokyo. "With its success as momentum, sports talks between the two sides, suspended since it was agreed to form single table tennis and youth soccer teams last month, will resume in May or June."

Kim came here with the South Korean players on the table tennis team Monday to encourage the single team, the first of its kind since the division of the Korean peninsula in 1945.

He said he had reconfirmed that North Korea still intended to form a joint team for the World Youth Soccer Championships in June, as agreed by the two sides, when he met with Kim Hyong-chin, chief of the North Korean table tennis team.

"I cordially asked him to enhance national prestige and pride by producing excellent results in the championships, especially as 'the head representing 70 million Korean brethren, not North Koreans only'," Kim said.

Kim said he believed formation of the joint table tennis team would greatly contribute to realizing the Korean people's desire step by step, and create a mood of reconciliation between the pro-Seoul and pro-Pyongyang organizations of Korean residents in Japan.

South To Invite North to World Scout Jamboree

SK2703114691 Seoul YONHAP in English 1044 GMT 27 Mar 91

[Text] Seoul, March 27 (OANA-YONHAP)—The South Korean Government has given the go-ahead to the Boy Scouts of Korea (BSK) to invite 100 members of the North Korean League of Socialist Working Youth to the 17th World Scout Jamboree in Kosung, Kangwon Province, this August.

The BSK will soon notify the North Korean League Chairman Choe Yong-hae that 90 youths and 10 instructors will be invited to the jamboree, a BSK official said Wednesday. The 1991 Mt. Sorak World Jamboree will be attended by some 25,000 scouts from 121 nations.

Three North Korean 'Scholars' Interviewed

SK2603044091 Seoul KYONGHYANG SINMUN in Korean 25 Mar 91 p 4

[Interview with three North Korean scholars, Choe Yong-sik, Cho Tae-il, and Kwak Son-uk, by Paris correspondent Ko Sung-chol—place and date not given]

[Text] Three North Korean scholars who are participating as North Korea's representatives in the 15th Korean studies meeting in Europe which started on 23 March in Tournan city, situated on the outskirts of Paris, France, showed a different attitude compared with the past when they were very rigid, by freely mingling with ROK representatives and willingly agreeing to hold interviews with the South side's reporters.

It was learned that North Korea's representatives along with Dr. Choe Yong-sik, dean of the History Department of Kim Il-song University, who is a leading North Korean historian; Cho Tae-il, head of the Folklore Institute of the Academy of Social Sciences; and Kwak Son-uk, director of external affairs, are leading scholars spearheading academic exchanges in the folklore and international fields.

[Ko Sung-chol] How did you get to participate in this academic meeting?

[Kwak Son-uk] In the 1989 London meeting and last year's meeting in Warsaw, Poland, six representatives participated in the meetings.

Ten representatives were to participate in this year's meeting but the number was limited to three because the sponsor said that there was not enough money for expenses.

[Ko] What is your assessment of the significance of the Korean studies meeting?

[Kwak] Through this kind of meeting, it is necessary to correct foreign scholars' distorted knowlege of Korean history.

[Ko] How many students are there in the History Department of Kim Il-song University?

[Choe Yong-sik] There are some 1,000 students. The students learn about the history of the people's revolution for four and a half years. I became dean of this department one year ago and my major field is Korean history.

[Ko] What is the history and role of the Academy of Social Sciences?

[Cho Tae-il] Today's Academy of Social Sciences originated from the Academy of Sciences which was established in 1952 during the Korean war. The Academy of Social Sciences was established in December 1963.

[Kwak] Various fields including the chuche idea, history, linguistics, archaeology, literature, philosophy, law, and world economy are being studied at the Academy of Social Sciences.

A research institute is established in each field and in order to support this there are administrative organizations such as the administrative guidance bureau, the foreign affairs bureau, and the scientific guidance bureau.

There are about 1,200 persons in this field of study. There is even an organization to utilize personnel to carry out study in this field.

The purpose of the activities of the Academy of Social Sciences is to study the line and policy of the Korean Workers Party and to systemize the chuche idea.

[Ko] There are rumors that President Kim Il-song's health has worsened. What is your opinion?

[Kwak] I can positively state that this is only speculation. I know that at present he is overseeing state affairs in good health.

[Ko] What is North Korea's view regarding the Gulf war?

[Kwak] I believe it was not good for Iraq to invade Kuwait. However, the actions of the United States in launching a war with that as an excuse were worse. This war must be resolved peacefully through the United Nations. It is unthinkable to wage war against such a small nation.

[Choe] Formation of the coalition force was a historical mistake.

Mindan Head Warns Against North Propaganda

SK2703045791 Seoul THE KOREA HERALD in English 27 Mar 91 p 2

[Text] TOKYO (Yonhap)—Chong Hae-yong, newly elected chairman of the pro-Seoul Korean residents union, Mindan [South Korean Residents Association in Japan], feared "confusion" among Koreans in Japan when North Korea opens its embassy in Tokyo after normalizing ties with Japan.

Chong, 56, was elected to the post following fierce competition in a general meeting of the union Monday. Chong, a second-generation Korean, worked as a bank employee for three years in Osaka after graduating from college. He has since been with Mindan.

Of the estimated 700,000 ethnic Koreans, some 400,000 are said to belong to the pro-Seoul Mindan and 200,000 to the pro-Pyongyang residents' federation (Chochongnyon) [General Association of Korean Residents in Japan] and the rest reportedly remain neutral.

If Communist North Korea opens an embassy in Japan, Chong said, many Koreans here will be in for serious confusion. North Korea is expected to launch a spirited campaign to raise its membership, and inflict "economic burdens" on Chochongnyon affiliates, Chong said.

Japan and North Korea now are having talks on normalizing their relations. The two countries may set up full ties in the next few years.

Chong said it is important that all members of Mindan beef up their solidarity to cope with the anticipated campaign by North Korea. He said he would give top priority to the improvement of the social and economic status of Koreans in Japan.

"We will also seek ways of contributing to Japanese society so that the Japanese can improve their understanding of Koreans here," said Chong, who was vice chairman of the union until recently. He outlined a plan to establish the "21st Century Foundation" which is aimed at the education of more young Koreans.

He would ask the Seoul government not to further cut its financial support to Mindan until the foundation is set up, he said, adding that the assistance from Seoul was slashed by 25 percent last year.

The 21st Century Foundation would render a great deal of support to young Koreans so they can learn the traditional Korean culture and ways of contributing to Japanes society. And above all, so they can live here with dignity as Koreans, he said.

Chong will serve the post for three years.

PRC Trade Representative To Arrive in Seoul

SK2703034991 Seoul YONHAP in English 0250 GMT 27 Mar 91

[Text] Seoul, March 27 (YONHAP)—Xu Dayou, head of the Chinese Trade Representative Office in Seoul, will arrive Thursday afternoon to take up his post, officials at the Foreign Ministry said Wednesday.

Xu, a former vice chairman of the Chinese Chamber of International Commerce (CCOIC), will join Vice Representative Pei Zai-yi and others, who came to Seoul on March 20, in preparing for the opening of the office in late May.

The office will have 20 officials from CCOIC and the Chinese Foreign Ministry.

Detention of Workers by Kurds in Iraq Reported

Incident Termed 'Accidental'

SK2603034091 Seoul YONHAP in English 0303 GMT 26 Mar 91

[Text] Seoul, March 26 (YONHAP)—The detention of five South Koreans by Kurdish rebels in Iraq was not so much political as accidental, a Foreign Ministry official said Tuesday.

The Korean Embassy in Turkey was told by REUTERS News Agency, which released the report first, that the Kurds took the Hyundai Construction and Engineering Workers and other foreigners captive when they occupied the oil city of Kirkuk in Northeastern Iraq. REUTERS also reported that the Kurds have announced that they will release their prisoners as soon as possible.

The Korean Foreign Ministry has asked the Iranian Government to help confirm the safety of the five and cooperate for their release, he said.

Captives Reportedly Safe

SK2703093491 Seoul THE KOREA DAILY in English 27 Mar 91 p 2

[Text] Five Koreans, captured on Sunday by Kurdish rebels in northern Iraq, have reportedly been evacuated to a safe place.

Foreign dispatches, based on an Iranian news agency report, said that the rebels (Patriotic Union of Kurdistan) announced on Tuesday they had evacuated to a safe place five Korean Hyundai Construction Co. workers on an irrigation project near the rebel-held Iraqi town of Kirkuk.

A Foreign Ministry official said yesterday that the detention of the five workers was not so much political as accidental.

The embassy in Turkey obtained information that the Kurds held them and other foreigners in captivity when they occupied Kirkuk, the official said.

Official To Negotiate Release

SK2703064091 Seoul YONHAP in English 0616 GMT 27 Mar 91

[Text] Seoul, March 27 (YONHAP)—A counselor at the Korean Embassy in Jordan left Wednesday for Damascus with two officials of Hyundai Construction Co. to negotiate with the Patriotic Union of Kurdistan (PUK) for the release of five Koreans detained by the rebel group in Iraq, a Foreign Ministry official said.

"Our team, led by Kim Kyun, will confirm the safety of the five detained workers of the Hyundai Construction Co. and discuss their early release with the officials of PUK, headquartered in Damascus," said the official, who demanded anonymity.

The ministry has said the Kurdish guerillas took the Koreans prisoner simply because they were there, and not for political reasons.

Aramco Invited To Buy Into Ssangyong Refining

SK2603023791 Seoul YONHAP in English 0143 GMT 26 Mar 91

[Text] Seoul, March 26 (OANA-YONHAP)—South Korea has invited Aramco, the state-run Saudi oil giant, to buy into Ssangyong Oil Refining Co. instead of pursuing a bid to set up a joint venture refinery, the Energy and Resources Ministry said Tuesday.

The ministry has informed other government agencies of the decision and notified the Saudi Government through its ambassador in Seoul, a ministry spokesman said.

"Allowing a new firm to be added to the current five oil refineries would merely weaken their international competitiveness and the restricted advancement was approved in light of the amicable ties between our two countries," he said.

Saudi Arabia is a major oil supplier and an important construction market for Korea, which is eager for a share of the postwar Gulf reconstruction market.

In January, Aramco applied to the Seoul Government for a licence to set up a 700 million-dollar joint venture to operate an oil refinery with Ssangyong.

Ssangyong, the third largest oil company in the nation, has a refinery capacity of 60,000 barrels a day and a trial operation rated at 100,000 barrels a day. The company's capital amounts to 130 billion won (180 million U.S. Dollars). In addition, the Ssangyong group owns a couple of petrochemical plants.

According to government projections, Korea is likely to face an oversupply of 130 percent in the refinery industry by early 1993, when the combined refinery capacity of the five established oil companies will hit 1.25 million barrels a day.

'Landslide Win' of Ruling Party Examined

SK2703114491 Seoul YONHAP in English 0906 GMT 27 Mar 91

[Article by Kim Tae-sik: "Local Elections May Be Momentum for Future Politics"—YONHAP headline]

[Text] Seoul, March 27 (YONHAP)—Tuesday's local elections earned a place in the history books by virtue of their being the first in 30 years, but will also be remembered for their record low turnout if not for the landslide win of the ruling party.

With 55 percent of eligible voters casting ballots, general apathy was plainly evident. The rate was even below the Central Election Management Committee's pessimistic prediction of 60 percent.

The overwhelming success of members of the Democratic Liberal Party (DLP) and pro-DLP independents exceed expectations, and together they account for over 80 percent of the 4,303 councilors elected, according to DLP sources.

In Seoul, the Party for Peace and Democracy [PPD] was expected to trounce the DLP or at least break even in 10 of the 22 districts, but as things turned out they failed to secure a majority of seats on any district council.

The ruling party took about 20 percent of the seats on the PPD's home turf in North Cholla Province, conceding only in Kwangju and South Cholla Province.

The DLP has been irritated by a series of troubles this year, including the Suso housing scandal and pollution of the Naktong River, and may want to use the results of Tuesday's polls to put the past to rest and regain the political initiative.

The government party hopes to carry the victory over to the national assembly and into elections for provincial administrations and councils in the six biggest cities, due within the first half of the year.

The DLP may want to repeat its triumph in the next elections and grab the initiative between then and President No Tae-u's departure in early 1993, while Chongwadae intends to show the PPD its limitations and make it accept No's proposal for a parliamentary cabinet system.

Tuesday's polls confirmed that local autonomy will do no good for either Kim Tae-chung or Kim Yong-sam, the opposition leader who switched horses last year.

Kim Yong-sam, executive chairman of the DLP, had a dream scenario in which the local elections propelled him closer toward his life-time ambition of being president, but the lop-sided victory of the ruling party virtually gave No a free hand in selecting who will follow him.

No stock rose dramatic[illegible] at Kim's expense because substantial numbers of the council members belong to his faction in the DLP.

It is impossible to say if the pattern will be repeated in the second round of local elections as there are too many variables, and political parties will be formally allowed to participate. It is possible to predict with a fair degree of certainty, however, that the DLP and PPD will try hard to win the elections, which will be crucial for them and the future of Korean politics.

No: 'Fairest and Cleanest' Vote

SK2703103091 Seoul THE KOREA DAILY in English 27 Mar 91 p 1-2

[Text] Pro-government candidates swept most of the electoral districts except the opposition stronghold in the southwestern Honam area in the nation's first local council elections in 30 years yesterday.

Ruling Democratic Liberal Party officials who followed the vote counting overnight said that as of 8:00 this morning, when ballot counting was nearly 90 percent complete, candidates supporting the ruling party accounted for 48.8 percent of the total winners.

Successful candidates backing the opposition Party for Peace and Democracy [PPD] represented 18.3 percent,

those supporting the splinter Democratic Party 0.54 percent, and the remaining 32.4 percent were independents.

The vote turnout rate was a low 55 percent for the elections to choose members of county, small city and ward councils.

Central Election Management Committee officials expressed disappointment at the sparse turnout. At one point, however, they said low local election participation is almost a universal trend.

No Unable to Vote

President No Tae-u, who couldn't vote as his district chose a member uncontested, said yesterday he was pleased the elections were successfully held to reopen the local council system.

Describing the vote as the "fairest and cleanest" in the country's election history, the President said all future elections should be held using the fairness of Tuesday's polls as a model.

The 55 percent turnout rate compares to 75.8 percent recorded in the 13th general elections held in 1988. In general, urban areas showed a low rate and participation in rural areas was relatively high.

By region, the Seoul area recorded the lowest rate with 42.3 percent while Kyongsangbuk-do surrounding the city of Taegu, known as President No's stronghold, registered the highest rate at 70.3 percent.

The participation rates in other areas included Pusan with 49.7 percent, Taegu 44.5, Kwangju 50.8, Taejon 49, Kyonggi-do 52.2, and Kangwon-do 68.7.

4,304 Members

A total of 4,304 members were to be chosen in the elections to form 298 councils of counties, small cities and wards in major cities.

Initially, 10,159 candidates intended to run but the number was reduced to 9,963 as 196 contenders withdrew, died or were disqualified. Of the total candidates, 615 won their races unopposed.

By law, political parties are not supposed to participate in the small-area elections. But, the elections appeared to be in effect a bipartisan race between the ruling Democratic Liberal Party [DLP] and the opposition Party for Peace and Democracy.

Ruling party officials said that in Seoul, pro-DLP winners represented 52.4 percent of the total and even in Chollabuk-do, traditionally known as a stronghold of the opposition PPD, 23.7 percent of the total winners were ruling party supporters.

On the other hand, successful pro-PPD candidates represented no more than 18.3 percent in Seoul, far less than the 40 percent the party sought, and almost no pro-PPD candidates were chosen in the southeastern Yongnam and central areas while they virtually swept the party's stronghold in Kwangju and Chollanam-do.

By occupation, the successful candidates included 1,090 farmers, 956 businessmen, 378 contractors or forwarding business runners, 129 physicians or pharmacists, and 271 office workers.

By age group, those in their 50s topped the list of winners with 1,830, followed by runners in the 40s with 1,303, those in the 40s with 1,403,493 in their 60s and 397 in their 30s. Sixteen victors were in their 20s.

Tuesday's elections were the first of three separate polls intended to revive the local autonomy system that was suspended after the military coup of 1961.

Similar local council elections for larger areas of major cities and provinces are to be held in May or June this year, and the heads of local autonomy bodies like provincial governors, mayors and county commissioners are set to be elected in the spring of next year.

Police Cite 369 Cases of Campaign Irregularities

SK2703062491 Seoul YONHAP in English 0558 GMT 27 Mar 91

[Text] Seoul, March 27 (YONHAP)—Prosecutors have so far this year arrested 76 people and booked another 473 without physical detention after they were cited by police in 369 cases of campaign irregularities related to Tuesday's local elections.

Since March 8, when the government announced elections for 260 city, county and ward councils, 66 people were arrested and 399 booked without physical detention, the Supreme Public Prosecutors' Office said Wednesday. Of those arrested, 49 are suspected of giving money to voters or providing them with entertainment and 14 of intimidation, assault or the destruction of an opponent's publicity materials.

Suncheon branch of the Kwangju District Prosecutor's Office has arrested candidate Shin Myon-wu of Koheung, South Cholla Province, for handing out letters saying he had dropped out of the race because he was beaten up by Rep. Pak Sang-cheon of the opposition Party for Peace and Democracy (PPD). Pak was booked without physical detention.

It also arrested Kang Tae-pyong, a campaigner for candidate Yi Nam-du, on libel charges.

The Kwangju District Prosecutor's Office has arrested three students of Chonnam National University for putting up posters and handing out leaflets urging people not to vote for pro-government candidates, and booked seven others without physical detention.

Songnam Branch of the Suwon District Prosecutor's Office will seek an arrest warrant for Choe Sang-myon, a PPD candidate, on charges of asking Kim Chong-yun for 10 million won to give up his election bid.

Brunei, Malaysia & Singapore

Malaysia

Minister Criticizes Australian Report on EAEG

BK2603153191 Kuala Lumpur Domestic Service in Malay 1430 GMT 26 Mar 91

[Text] Wisma Putra [Foreign Ministry] has expressed regret over an Australian newspaper report aimed at damaging existing good relations between Malaysia and Singapore. Deputy Foreign Minister Datuk Dr. Abdullah Fadzil Che Wan said the newspaper should have been more discreet in its reporting and should not carry out unfounded acts which could damage good relations between the two countries. He said this to BERNAMA when asked to comment on the report.

The Australian newspaper, THE WEEKEND, was said to have reported that Singapore's Senior Minister, Mr. Lee Kuan Yew, during an interview with the newspaper, had rejected Malaysia's proposal to establish the East Asian Economic Group, EAEG. The report was carried in its 23d and 24th March edition.

Mr. Lee had requested that the full text of the interview be circulated to all newspapers in Singapore. This indicated that the report by the newspaper was untrue. Datuk Dr. Fadzil said Wisma Putra will not bring up such an issue with the Australian authorities because Mr. Lee's statement had sufficiently provided a clear and true situation.

Kuwaiti Envoy Urges Caution on Reconstruction

BK2703042491 Kuala Lumpur BERNAMA in English 0328 GMT 27 Mar 91

[Text] Kuala Lumpur, March 27 (OANA-BERNAMA)—The Malaysian private sector should not fall for the rose-tinted picture being painted of the current situation and business opportunities in Kuwait as the emirate is still struggling to recover from the Gulf war.

The impression that the emirate is well on its way to rebuilding its economy and infrastructure, that life is back to what it was before the war, is far from reality, Kuwait's ambassador to Malaysia, 'Isa 'Abd al-Rahman al-'Isa said here Tuesday.

There are still thousands of mines in the harbours, flames are spewing from the oil wells, there is no telephone service, no electricity or water supply, so many buildings have been damaged, money is still not flowing through Kuwait's present economy. "We are still reeling from the devastation of the war," he added, [words indistinct], of course, the business opportunities are there and Malaysia is bound to have its share as one of our steady trading partners and our friend during the war, but the Malaysian businessmen must assess for themselves the type of contribution they can make to the reconstruction process," he stressed.

He said Malaysian businessmen must understand the extent of the devastation in Kuwait before they come up with plans to participate in the reconstruction of the country.

Police Chief Says Airport Security 'Tight'

BK2703083891 Kuala Lumpur International Service in English 0600 GMT 27 Mar 91

[Excerpts] Singapore Army commandos stormed a hijacked Singapore Airlines Airbus passenger jet and killed four Pakistani hijackers this morning after a stand-off of nearly nine hours at Singapore Airport. [passage omitted]

Police in Kuala Lumpur said the hijackers commandeered Flight SQ 117 after it departed on the regularly scheduled 40-minute shuttle flight to Singapore. About 45 of the passengers were foreigners and the rest were from Malaysia or Singapore. The hijackers, armed with knives and hand grenades, had managed to get their weapons past the Kuala Lumpur Airport security, which has been tightened since the Gulf war started in January.

In Kuala Lumpur the inspector general of police, Tan Sri Haniff Omar, said the existing security system at Kuala Lumpur International Airport is tight. However, studies are being carried out to upgrade the system. Speaking to newsmen, Tan Sri Haniff said during the hijacking Singapore security officials were in constant touch with their Malaysian counterparts.

Airlines Plan Increased Flights to Los Angeles

BK2703115091 Kuala Lumpur International Service in English 0800 GMT 27 Mar 91

[Text] Malaysia Airlines, MAS, is to increase the Kuala Lumpur-Los Angeles route to six times a week beginning on 15th July this year. At present it operates five times a week.

Its General Sales Manager for Passengers Mr. Shamin Ahmad said the airline is expected to operate eight times a week between Kuala Lumpur-Los Angeles by next year. This is to increase the number of tourists from the United States to Malaysia. He said this at the Tourist Development Corporation, TDC's, Make it Malaysia-The Big One travel presentation in Kuala Lumpur today. The educational tour organized by TDC and MAS is being attended by over 100 travel agents and travel trade journalists from the United States and Canada.

The Deputy Director General of TDC, Mr. Ahmad Bakri Sabtu, said the familiarization trip will not only promote Malaysia as a unique value-for-money and safe destination but also to educate the visitors through experience of the attractions and facilities available in the country. He said TDC and MAS will be jointly hosting similar educational tours for travel and tour operators from Australia and the United Kingdom next month.

Cambodia

Hor Namhong Says Phnom Penh Wants Peace Meeting

BK2703121891 Hong Kong AFP in English 1151 GMT 27 Mar 91

[Text] Phnom Penh, March 27 (AFP)—Phnom Penh has not blocked a meeting of the council charged with negotiating an end to the Cambodian civil war and is ready to participate if the Khmer Rouge is kept in check, Cambodian Foreign Minister Hor Namhong said Wednesday.

According to Prince Norodom Sihanouk, leader of one of the three resistance factions, Phnom Penh and its Vietnamese backers have prevented a meeting of the Supreme National Council (SNC), which would group six Phnom Penh representatives and six resistance representatives.

But Mr. Hor Namhong told AGENCE FRANCE-PRESSE in an interview here that the resistance is responsible for the delay.

An SNC meeting could be convened if there were "sufficient guarantees" that the Khmer Rouge, another faction engaged in a year-long civil war with the government, will not attempt a takeover of the country, he added.

"We have discovered many arms caches belonging to the Khmer Rouge and their allies in various regions of Cambodia," he charged.

"We are ready to call the National Supreme Council together and our proposal for a ceasefire and a stop to outside military aid to the factions still holds," he said.

Mr. Hor Namhong indicated, however, that Phnom Penh is not yet willing to lay down its own weapons.

"We are still opposed to the disarmament and demobilization of our army as outlined in the peace plan," he said, "because our armed forces are the only ones capable of opposing a return of the genocidal regime of the Khmer Rouge."

Under a plan drawn up when the NSC was formed in September in Jakarta, the NSC would assume Cambodian sovereignty in the period leading up to free elections, but the United Nations would have sweeping powers to control government functions.

The Beijing-backed Khmer Rouge, blamed for killing hundreds of thousands of Cambodians between 1975 and 1979, is still dangerous, Mr. Hor Namhong said.

"We accept the confining and the deposit of arms under the control of the United Nations," he said, but "the disarmament of Phnom Penh's army would be easier than that of the factions," which operate in remote regions of the country, he added.

The minister also said the Phnom Penh Government will ask the UN to send members of its judicial commission to investigate the alleged atrocities of the Khmer Rouge during their rule.

"It's not just a question of ending the war," Mr. Hor Namhong added. "What's needed is a political solution which rules out the threat of a return to genocide."

Mr. Hor Namhong said the resistance, which also includes troops loyal to former Cambodian Prime Minister Son Sann, were unwilling to meet under the SNC "while Prince Sihanouk was not the chairman, even though he's no longer even a candidate (to be chairman)."

Prince Sihanouk recently accused Phnom Penh and Vietnam of blocking the SNC and called on them to adopt "a more realistic attitude."

Phnom Penh still wants Cambodian Prime Minister Hun Sen to be the SNC vice-president, he said.

He said Phnom Penh is in agreement with an accord reached by UN Security Council members in Paris in December, under which disputes between the factions would be negotiated at the SNC.

The Khmer Rouge said Wednesday for the first time that it would accept some minor modifications to the UN peace plan, but that the principle of the UN maintaining control of the government must remain.

Mr. Hor Namhong acknowledged resistance charges that the Cambodian Air Force bombed Khmer Rouge positions in the northwest region in recent days.

"We were only carrying out defensive operations," he said, repeating Phnom Penh's offer of a complete ceasefire.

Hor Namhong Remarks on Japan's Role in Settlement

BK2703132091 Hong Kong AFP in English 1310 GMT 27 Mar 91

[Text] Phnom Penh, March 27 (AFP)—Japan must stop recognizing the Cambodian resistance if it is to play an important role in resolving the conflict, Cambodian Foreign Minister Hor Namhong said here Wednesday.

"Japan has already played a major role in resolving the conflict but to continue playing this role it must be neutral," he said in an interview with AGENCE FRANCE-PRESSE.

Japan has recognized the guerrilla resistance led by former monarch Prince Norodom Sihanouk and dominated by the Marxist Khmer Rouge. The coalition is fighting the government that Vietnam installed in Phnom Penh after invading Cambodia in December 1978.

"Japan may not recognize our government but it must at least say it no longer recognizes that of the opposition," the minister said.

In June, Japan organized a meeting of the warring Cambodian factions that formed the basis of agreement for the formation of the Supreme National Council (SNC) comprising members of all four factions.

Under a peace plan drafted by the five permanent members of the United Nations Security Council, the SNC—set up in Jakarta in September—would represent Cambodian sovereignty until general elections.

The SNC groups six members of the Phnom Penh Government and two each from the three resistance factions.

The Cambodian minister also told AFP the recent military coup in Thailand "did not overly concern the Phnom Penh Government," which "was not pessimistic."

"In practice Thailand has not changed its policies," the minister said, adding that "good-neighborly relations benefit both countries."

The Thai military, which seized power in a bloodless coup in late February, is widely seen as more likely to back the Cambodian opposition than was the government of ousted prime minister Chatchai Chunhawan.

"We have just signed an agreement on border trade with Thailand and we are currently examining a proposal for joint oil prospecting in the Gulf of Thailand," Mr. Hor Namhong said.

The Soviet Union will continue to support Cambodia and "help resolve the problem," he added.

Phnom Penh "has not asked for special treatment in trade with the Soviet Union," which is now selling its goods at market prices and demanding payment in hard currency, Mr. Hor Namhong said.

"But now that we have to pay for Soviet experts in dollars, we have reduced the number so as to keep only those we really need."

Rebels Prepared To Discuss Plan Revisions

BK2703075891 Hong Kong AFP in English 0738 GMT 27 Mar 91

[By Charles-Antoine de Nerciat]

[Text] Bangkok, March 27 (AFP)—The Khmer Rouge and other guerrillas fighting Phnom Penh are no longer demanding full implementation of a United Nations Peace Plan for Cambodia as long as the central proposals giving the U.N. sweeping powers during an interim period remain untouched, guerrilla officials said here Wednesday.

The Beijing-backed Marxist Khmer Rouge and its smaller non- communist allies are now prepared to discuss revisions, the officials said, in a shift from their earlier position that no change could be introduced to the plan put together last year by the U.N. Security Council permanent members.

But among elements of the U.N. blueprint which could not to be modified, the officials singled out direct control by the world body of key ministries during an interim period leading up to elections in Cambodia.

This still clashes with a demand by the Cambodian Government, which was set up 12 years ago in the wake of the Vietnamese invasion of Cambodia to topple a Khmer Rouge regime, that it remain in place until elections are held.

Until now the Khmer Rouge, the dominant group of the guerrilla coalition, and its two U.S.-aided allies loyal to former Cambodian monarch Prince Norodom Sihanouk and ex-premier Son Sann, had insisted that the U.N. peace proposals be accepted without modification by Phnom Penh.

But in broadcasts monitored here this week the Khmer Rouge radio introduced a distinction between a prior framework document issued by the "perm five" in August and the later November peace plan.

Hanoi and the "puppet" Phnom Penh government must be pressured into "strictly" accepting the framework document and "following the guidelines" for its implementation set by the expanded blueprint, the radio said.

The new approach by the resistance was adopted in meetings of the heads of its three factions earlier this month in Beijing, guerrilla officials said.

They stressed however that the gap between Cambodia's warring factions on a settlement to end the war remained wide as Phnom Penh leaders have repeatedly said they wanted to see a "politicial and military status quo."

This was in contradiction with the August framework to which Phnom Penh had formally adhered.

The framework document said that a number of key government agencies should be placed "under direct U.N. supervision or control" during a transitional period in order to guarantee free and fair elections.

"In that context special attention should be given to foreign affairs, national defense, finance, public security and information," the document said.

The guerrilla officials also pointed to expressed Phnom Penh opposition to a provision that a peace-keeping force be sent to Cambodia under a U.N. Transitional Authority in Cambodia (UNTAC).

Phnom Penh has insisted that any dismantling of the government and armed forces would lead to a return to power of the Khmer Rouge whose brutal rule cost their lives to hundreds of thousands of Cambodians between 1975 and 1979.

The Cambodian Government has said it agreed to "most points" of the U.N. plan, but has demanded amendments to include strong measures to stop the return of the "genocidal" Khmer Rouge.

This point was repeated Wednesday in Phnom Penh by Cambodian Foreign Minister Hor Namhong, who demanded "sufficient guarantees to prevent a return to genocide" from the United Nations.

In an interview with AGENCE FRANCE-PRESSE, he said Phnom Penh would invite U.N. experts to Cambodia to be shown evidence of the Khmer Rouge rule.

Defense Ministry Issues Communique on Attacks

BK2703043391 Phnom Penh SPK in French 0154 GMT 27 Mar 91

[Text] Phnom Penh 26 March (SPK)—According to a communique of the National Defense Ministry, in the

week 14 to 20 March, the troops of the tripartite coalition intensified their activities in the country's northern provinces by sometimes resorting to the use of toxic products.

The communique reported on the attacks in Banteay Meanchey, Siem Reap-Oddar Meanchey, Battambang, Pursat, and Kompong Thom Provinces and said four civilians were killed and six others wounded; three houses were also destroyed by enemy rockets.

The communique specified that on 14 March, under the cover of artillery fire—99 shells were fired including shells containing toxic substances—the enemy launched an attack northwest of Changha (Battambang Province) but was repulsed with five dead and 10 wounded.

In the same week, in intercepting intruders, the government armed forces put out of action 189 enemy soldiers, including 103 killed on the spot; seized 58 rifles and over 1,300 rounds of ammunition; and destroyed 16 camps, according to the communique.

The same source reported on the battle situation, notably [words indistinct] military zone where 18 enemy soldiers were killed in Ratanamondol District [words indistinct]; in the 4th Military Zone where 45 enemy soldiers were put out of action northwest of Samraong; and in the 2d Military Zone [words and number indistinct] were put out of action in the sector of Sala Visai, Baray, and Sandan while four others surrendered to Stoung district authorities [Kompong Thom Province] with three weapons. The communique also said on 7 March, the enemy poisoned water in the sector of Anlung Mien, in southern Battambang Province.

The communique recalled that in February, 44 Polpotists, six Sonsannians, and 25 Sihanoukists presented themselves to authorities in Siem Reap-Oddar Meanchey Province with 51 weapons and other war materiel. Six other Sihanoukists also presented themselves to authorities in Samraong and Chongkal by mid-March, added the communique.

In January, Siem Reap-Oddar Meanchey received 74 returnees with 25 weapons.

District Seat in Kompong Chhnang Attacked

BK2703021391 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 26 Mar 91

[Excerpt] On 11 March, our people's great national union forces cooperated with our Cambodian national resistance forces in Toek Phos District [Kompong Chhnang Province] in a successful attack against the Toek Phos District seat at Phsa Romeas of the Vietnamese enemy aggressors and puppets, Vietnam's lackeys.

In the battle, our people's great national union forces killed three soldiers of the Vietnamese enemy aggressors and puppets, traitors to the nation, and Vietnam's lackeys, and wounded five others, including the commander of a company who was seriously wounded. We destroyed a 12.8-mm gun, five AK's, and some war materiel. [passage omitted]

Laos

Reportage on Opening of Fifth Party Congress

Foreign Delegations Arrive

BK2603132291 Vientiane Domestic Service in Lao 1200 GMT 26 Mar 91

[Text] In response to an invitation of the Lao People's Revolutionary Party [LPRP] Central Committee, four party delegations of fraternal countries arrived in Vientiane on 26 March to participate in the Fifth Congress of the LPRP, which will be held from 27 to 29 March. The delegation of the Communist Party of Vietnam [CPV] is led by Comrade General Secretary Nguyen Van Linh. It is also comprised of Comrade Le Duc Anh, Political Bureau member of the CPV Central Committee and minister of national defense, and Comrade Le Phuoc Tho, secretary of the party Central Committee. The delegation of the Kampuchean People's Revolutionary Party [KPRP] is led by Comrade General Secretary Heng Samrin. It is also comprised of Comrade Hun Sen, Political Bureau member of the KPRP Central Committee and chairman of the Council of Ministers, and Comrade Sar Kheng, Political Bureau member, secretary, and head of the office and of the Organizing Committee of the party Central Committee. The CPSU delegation is led by Comrade Burokevicius, Politburo member and first secretary of the party Central Committee of the Lithuanian SSR. The delegation of the CPC is led by Comrade Pu Chaozhu, member of the CPC Central Committee.

The four party delegations of the fraternal countries were warmly welcomed upon their arrival at Wattai Airport by Comrade Phoun Sipaseut, Political Bureau member of the LPRP Central Committee, vice chairman of the Council of Ministers, and minister of foreign affairs, along with comrade members of the party Central Committee and a number of cadres concerned. Also on hand to welcome the delegations at the airport were ambassadors of the SRV, the State of Cambodia, the Soviet Union, and the PRC to Laos.

Radio Previews Opening

BK2703011891 Vientiane Domestic Service in Lao 0000 GMT 27 Mar 91

[Text] The fifth congress of the Lao People's Revolutionary Party [LPRP], the organizer and leader of all victories of the Lao revolution, will be majestically opened in Vientiane this morning. This is an announcement made by Vanheuang Vongvichit, head of the Information Department of the Foreign Affairs Ministry speaking on behalf of the LPRP Central Committee Foreign Relations Board, at a press briefing for both local and foreign correspondents at Lan Xang Hotel in Vientiane last night.

Vanheuang Vongvichit said: The fifth congress of the delegates of the LPRP from all over the country is convened at a time when the entire party, army, and multiethnic people of Laos are together striving to score achievements to welcome this congress, and are awaiting to follow its progress with close attention and a sense of full confidence and unity in carrying out the restructuring. The congress will be held for three days from 27 to 29 March. During the congress, the delegates will hear a political report presented by Comrade LPRP Central Committee General Secretary Kaysone Phomvihan and views expressed by delegates from various ministries, departments, units, enterprises, and localities and will elect a new party Central Committee.

On the occasion of the opening of the Fifth Congress of the LPRP this morning beginning at 0800 [0100 GMT], the National Radio Station will carry live coverage of the ceremony for our listeners. Therefore, all local radio stations and public loud speakers systems in all localities are instructed to relay the broadacast of the National Radio Station.

Our listeners are requested to follow our broadcast at the specified time.

Kaysone Gives Opening Address

BK2703041591 Vientiane Domestic Service in Lao 0131 GMT 27 Mar 91

[Address by Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party, delivered at the opening of the Fifth LPRP Congress in Vientiane on 27 March—live]

[Text] Beloved comrades, respected guests of honor:

Today, the Fifth Congress of the Lao People's Revolutionary Party [LPRP] has brilliantly opened. We are convening this congress in an atmosphere in which our entire party and people are greatly rejoicing over the initial great successes and firm steps forward in our restructuring cause.

On behalf of the party Central Committee and the presidium of the congress, I would like wholeheratedly to salute all the comrade delegates attending this congress, who are the representatives of more than 60,000 party members from all spheres and all localities throughout the country. [applause]

I would also like to pay homage to all senior Buddhist clergy and to pay respects to all senior revolutionary cadres throughout the country. [applause]

Our congress would like to pay wholehearted respect to the delegation of the Communist Party of Vietnam, the delegation of the Kampuchean People's Revolutionary Party, the delegation of the CPSU, and the delegation of the CPC for bringing with them goodwill, friendship, comradely and fraternal solidarity, and excellent support to us. [applause]

On this solemn occasion our congress fondly remembers those revolutionary combatants who have sacrificed their lives for our revolutionary cause, and Mr. Khamsouk Keola, vice chairman of the Supreme People's Assembly and patriotic intellectual; Comrade Sali Vongkhamsao, Political Bureau member and secretary of the party Central Committee; and Comrade Khampha Chaleunphommisai, member of the party Central Committee, who passed away during the period since our last congress. I propose that all comrades at this congress stand and bow your heads for a minute to remember those fallen comrades. [period of silence follows]

Beloved comrades, over the past year of preparations to convene this congress, there have emerged numerous progressive movements in all spheres of work throughout the country with the full participation of the masses, thereby fully developing the cause of restructuring with every passing day and creating numerous excellent achievements and lessons. One development of special significance compared to preparations for the convening of the previous congress is that we have organized seminar-type meetings and other forms of discussion on various topics mentioned in the draft political report of the party Central Committee. The meetings organized at various work branches, localities, and grass-roots levels were well attended by cadres, party members, and representatives of all ethnic groups and strata, including workers, farmers, intellectuals, students, businessmen, learned persons, and clergymen. With a sense of being the masters of their own country and enhancing the spirit of democracy, participants in the meetings contributed their views on many important issues to correctly reflect the reality in our country and the intentions, aspirations, and interests of all people in our society, thereby turning the draft political report into a collective product of the thinking of our entire party and people. This symbolizes an important step in the political development of our country and clearly reflects the cohesion and unity of our party and the masses as well as the enormous responsibility of our party toward the destiny of the country. The congress would like to hail this political growth, high responsibility, and precious contribution. [applause]

Beloved comrades, our congress is being convened at a time when the international environment is developing in a complex manner and during a historical period of transition in which we are all faced with uncompromising trials. Because of this, and bearing in mind the numerous principles of restructuring we have already outlined, our congress will assess the recent process of restructuring, draw valuable lessons from it, and adopt the line and orientation of the overall duties aimed at promoting the cause of restructuring to firmly advance and build and develop the people's democratic system while establishing certain fundamental factors for our gradual advance toward socialism. Our congress will also debate and endorse the amended party regulations aimed at building our party into a strong entity so that it will be able to fulfill its historical obligations. One of the most important duties of the congress is to elect the fifth LPRP Central Committee, which will reflect the unity of the party and ensure continuity [words indistinct] in the

entire political ranks. The fifth LPRP Central Committee will be composed of comrades with high moral qualifications, knowledge, abilities, and a high sense of responsibility who will shoulder the heavy tasks and duties entrusted by the congress.

These tasks and duties show that this congress is of extremely great significance because it constitutes a new important turn in our history and involves the destiny of all of us here and the entire Lao people. I hope that you, comrade delegates, will bear in mind your responsibility to vigoriously develop democracy, concentrate all efforts and wisdom on studying, discussing, and intelligently commenting on and correctly deciding on the various issues to be raised, thereby crowning this congress with brilliant success.

On behalf of the Presidium, I would like to declare official the opening of the Fifth Congress of the LPRP.

Thank you. [applause]

Thai Paper Views Congress

BK2703012591 Bangkok THE NATION in English 27 Mar 91 p A5

[By Kawi Chongkitthawon]

[Excerpt] Vientiane—The ruling Communist Party of Laos today begins a three-day Congress that will reaffirm the country's market-oriented economic policy with a "broader" international outlook, according to diplomats.

The Vientiane-based diplomats said the 5th Congress that ends on Friday is expected to focus on the economic renovation that has brought about changes in Laos since 1986.

Four top delegations from Vietnam, Cambodia, China and the Soviet Union arrived here yesterday to attend the meeting which will give the go-ahead to the policies and regulations that will shape the destiny of the four million Lao citizens until 1995.

A Western diplomat said the Congress will encourage the private sector to take up ailing state enterprises to boost the landlocked country's backward economy. The congress will also emphasize strengthening relations with non-socialist as well as socialist countries, a Thai diplomat said.

The Lao Government has made it clear that it will give top priority to closer cooperation with ASEAN, China and Japan besides its traditional friends Vietnam and Cambodia, he said.

According to the Thai diplomat, another indication that Laos would adopt a more outward looking policy was the invitation to envoys from nonsocialist countries to attend the opening and closing cermonies of the Congress.

Among the members of the socialist delegations that arrived yesterday were Vietnamese leader Nguyen Van Linh, Cambodian leader Heng Samrin, Chinese Cenral Committee member Pu Chaozhu and Soviet Communist Party Politburo member M. Burokevicius.

It was not clear whether there would be any leadership change during the congress. Speculation was rife in Vientiane that several of the old guard leaders would quit.

The Thai diplomat, however, said top leaders were expected to remain in their posts because both Lao President Souphanuvong and Prime Minister Kaysone Phomvihan are still in good health after periods of illness. They are unlikely to be challenged by less charismatic and younger leaders, he said. But a new deputy prime minster will be named to replace Sali Vongkhamsao, who passed away recently, he said.

After the congress, the National Assembly will hold a meeting to approve the country's first constitution, which was completed and revised in January. [passage omitted]

Philippines

Manglapus Remarks on U.S. Bases Issue

HK2703015191 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 26 Mar 91

[Text] Foreign Secretary Raul Manglapus disclosed: There is no truth to the report that there is no more hope for the Philippines to get greater compensation for the U.S. military bases in the country. In relation to this, the Aquino government is hoping that the United States will have some flexibility regarding other offers or initiatives under the compensation package for the military bases. At present, there has been no reply yet from the United States regarding the offer of the Philippines to have the long-term dollar reconstruction and development bonds as part of the compensation package. Meanwhile, Secretary Manglapus has expressed optimism that the two countries can sign a new treaty soon.

Measures for Greater Role in Gulf Revealed

HK2703014991 Manila BUSINESS WORLD in English 26 Mar 91 p 10

[Text] Labor Secretary [Sec] Ruben Torres, back from a 17-day mission to the Middle East, yesterday outlined eight recommendations to President Corazon Aquino with the aim of promoting greater Philippine participation in postwar reconstruction efforts in the Gulf.

The labor chief said that favorable responses were received from Saudi Arabia, Kuwait, Bahrain and the United Arab Emirates, thus the mission's recommendations in view of the "postwar scenarios and opportunities in the Gulf."

First, the mission recommended "full implementation" of training courses to develop skills for Filipino Muslims. This will involve the joint efforts of the National Manpower and Youth Council (NMYC) and the Mindanao State University as well as other related agencies.

With the expected boom in jobs also translated into a bonanza for illegal recruiters, the mission also recommended the establishment of an Interagency Task Force (composed of the Department of Labor and Employment;

[DOLE] the National Bureau of Investigation and other agencies) with "full powers to fight illegal recruiters."

Sec. Torres expressed confidence the Philippines will be able to deploy up to 50,000 additional Filipino workers to Saudi Arabia.

In an interview with Palace newsmen, Mr. Torres said: "In terms of employment, the marketing aspect of it, we were able to open the Saudi market for more deployment. With the construction boom, which will start this year, we expect anywhere between 35,000 and 50,000 could be hired in Saudi Arabia alone."

Mr. Torres emphasized that the number will likely be hired by the Saudi Arabian Government, indicating that employment contracts offered by private enterprises have yet to be taken into account.

While unable to provide an estimate for additional Filipino workers to be employed in Kuwait, Mr. Torres noted that the country "would need no less than 359,000 workers (from all nationalities) just to reconstruct the oil wells, factories, petrochemical complexes, and roads and bridges destroyed."

Given this development, Mr. Torres said, "The next leg would now (entail) a meeting of private contracts. That's why I'm organizing an employment mission composed of the private sector (here) so they can talk with their counterparts (there)."

In this connection, officials of Saudi companies given rehabilitation contracts by Kuwait will be coming to the Philippines next month, Mr. Torres said.

Government's documentary processes—including policy, program and procedural reforms in agencies concerned—for overseas contract workers would have to be streamlined as well, Sec. Torres said. This would include earlier proposals for a "one-stop" center where passports, visas and other necessary documents could be processed.

Further, with the clash of wills between the DOLE and the Department of Foreign Affairs [DFA] on the Middle East issue, Sec. Torres said a memorandum of agreement between the DOLE and the DFA is in the offing to specify the areas of concern for each agency in matters "affecting the interest and welfare" of OCWs [Overseas Contract Workers].

Also, the mission recommended the establishment of a unified chamber of recruitment agencies with a permanent office in Saudi Arabia to complement Government efforts to promote employment. This is in line with recommendations from Saudi chambers of commerce and industry, Sec. Torres said.

Other recommendations presented by the labor chief to the President were:

—the strengthening, through adequate funding support for labor attaches and Filipino Social Centers, of the onsite assistance program and facilities for OCWs;

—the convening of a command conference of labor officers assigned in the Gulf to formulate new strategies and programs in line with reconstruction activities; and

—the issuance of Presidential citations to Filipino community leaders and other individuals or agencies in the Gulf who provided valuable assistance to OCWs during the crisis.

Ramos Warned Against Disunity From Party

HK2703011391 Manila THE MANILA CHRONICLE in English 26 Mar 91 p 1

[By Redempto Anda and Lito Zulueta]

[Text] The Laban ng Demokratikong Pilipino [LDP—Struggle of Philippine Democrats] yesterday warned Defense Secretary Fidel Ramos against aligning himself with non-LDP supporters should the party fail to endorse him as its presidential candidate in the 1992 polls.

In a strongly worded statement, the LDP spokesman, Rep. Hernando Perez, reacted to the announcement of the United People's Power Movement (UPPM) that it will form a political party to support Ramos' presidential bid if he fails to get the LDP nomination.

"I call on Secretary Ramos to dissociate himself publicly from this unconscious attempt to foment disunity in the party. We cannot tolerate any individual—no matter how distinguished—having mental reservations about joining the party," Perez said.

Ramos, who will formalize his membership in the LDP next month, had given indications about his presidential plans. Acknowledging this, the LDP leadership said last week he and Speaker Ramon Mitra will vie for the party's nomination in its September national convention.

Perez demanded that Ramos fully submit himself to the party's decision-making process in selecting its presidential candidate. "I ask him to have some degree of loyalty to his chosen party," he said.

"Hindi magandang simula sa kandidatura ni Secretary Ramos na siya'y parang namamangka sa dalawang ilog [It is not a good start in Secretary Ramos' candidacy to be paddling in two streams]," he added.

In Malacanang, Executive Secretary Oscar Orbos said there is no legal impediment for Ramos to continue holding his post as defense secretary despite his intention to run for president.

Orbos said Ramos can stay in his position until he files his certificate of candidacy in December. "There is really no legal constraint (until) he files his certificate of candidacy. It is a legitimate expression of desire," he said.

Asked if President Aquino should at least ask Ramos to resign as a matter of delicadeza, he replied: "That is something that will have to be a personal decision for the person concerned."

Refuses To Dissociate From UPPM

HK2703050391 Manila THE MANILA CHRONICLE in English 27 Mar 91 pp 1, 9

[By Lito Zulueta and Manny Mogato]

[Text] Defense Secretary Fidel Ramos yesterday refused to dissociate himself from the United People Power Movement [UPPM], as demanded by some leaders of the Laban ng Demokratkong Pilipino [Struggle of Philippine Democrats—LDP].

In a talk with newsmen, Ramos said the formation of the UPPM, a movement campaigning for his presidency, shouldn't be viewed as a threat by the LDP. While the LDP is a political party, the UPPM is a "multisectoral movement for good government based on people empowerment and greater local autonomy."

"The UPPM has offered to support me in my plan to aspire for the Presidency," he said. "Now, LDP leaders should not feel disturbed or threatened... I feel that the UPPM can be added to the strength of the LDP." UPPM chairman Ricardo de la Cruz told reporters his group was "ready to reinforce the LDP."

Earlier, Rep Hernando Perez (Batangas) urged Ramos to publicly dissociate himself from the UPPM, which had threatened to form a political party if the LDP did not draft Ramos for the presidency. "Namamangka sa dalawang ilog (si Ramos) [Ramos is taking a boat ride on two rivers]," some LDP leaders charged.

According to observers, Ramos formed the UPPM to ensure a political machinery for his candidacy in case the LDP does not nominate him. But Ramos said the UPPM was independent, and his participation in it "should not be construed as taking a boat ride on two rivers."

"In order words, hindi ako namamangka sa dalawang ilog kundi si Ramos ay namamangka na maraming kasama sa isang malaking ilog [I am not taking a boat ride on two rivers, but a boat ride with many companions on a big river]," Ramos stressed. "After all, politics is addition and can even be multiplication, not division," he added.

Ramos said he already met with Sen Neptali Gonzales, LDP president, and Rep Egmidio Tanjuatco to allay fears that his entry into the party would divide it. He expressed willingness to discuss the UPPM with the LDP leadership "to allay their apprehensions and welcome frequent consultations with them."

Ramos also said he was considering resigning as defense secretary following criticisms of his alleged political activities as a Cabinet member. He was trying to keep separate his personal political agenda with his official duties, to insulate the defense and military establishment from partisan politics.

Ramos said he has yet to be accepted as LDP member because the Metro Manila party chapter scheduled discussions on it for April 27. But he has yet to fill up an LDP membership application form.

Aquino Optimistic Over Debt Relief From U.S.

HK2703044691 Manila THE MANILA CHRONICLE in English 27 Mar 91 p 1

[By Lito Zulueta]

[Text] President Aquino yesterday said she remained optimistic that the U.S. would agree to the Philippine proposal to float long-term dollar-denominated reconstruction and development bonds as part of the military bases compensation package.

The President also denied reports the U.S. had rejected the proposal. "The United States has not made a formal answer to the Philippines' initiative for a bond issue," the President said in a statement.

"We remain optimistic that there will be some flexibility in the reaction of the United States to the various initiatives that were brought to their attention by (Finance) Secretary (Jesus) Estanislao."

Foreign Affairs Secretary Raul Manglapus also denied the reported rejection by the U.S. of the debt panel's flotation scheme to the country's more developed neighbor-states such as Japan and Singapore. "It is not true that the U.S. has closed the door on the idea of a bond issue," he explained, saying Secretary Estanislao "continues to explore that point with American officials."

Earlier, it was reorted that Richard Armitage, head of the U.S. panel in the bases negotiation, had informed Estanislao that the bond proposal did not receive much enthusiasm because of "donor fatigue" since the bond buyers would be the same donors in the recently concluded pledging session of the Philippine Assistance Program [PAP].

Finance Undersecretary Romeo Bernardo, briefing Manila reporters on the progress of the Philippine debt panel's talks with American officials, said the government had proposed the bond flotation at concessional rates. Under the proposal, the bonds would be sold to countries that wanted to expand bilateral relations with the Philippines. Estanislao, according to Bernardo, had told Armitage that the bond "overrides possible donor fatigue inasmuch as potential buyers are not substantial participants in the PAP."

The Philippines is eyeing ASEAN states to buy the bonds to concretize its policy that nations which depend on the bases for regional security should "share in the burden" of hosting them with the Philippines.

The U.S. proposal, on the other hand, called for the conversion of more military grants into economic assistance and the availment of excess defense and military equipment.

The Philippines wants $825 million annually for a seven-year phaseout period of the bases while the U.S. has

proposed $360 million for a 10- to 12-year "phasedown period." Negotiations for a possible bases treaty continue next month in Manila.

Government Rules Out Poland-Type Debt Relief

HK2703014391 Manila THE MANILA CHRONICLE in English 26 Mar 91 p 6

[By Arleen Chipongian]

[Text] The government will not ask its official creditors to forgive part of their loan exposure in the Philippines as what Poland sought—and obtained—two weeks ago. Instead, it will continue to request for more concessional terms to ease its heavy debt burden.

Estanislao and Central Bank Governor Jose Cuisia Jr. are on a week-long trip to meet with official and commercial creditors in Tokyo and New York. The debt negotiating panel will also meet with members of the American negotiating panel on the U.S. military bases talks to present the Philippines' proposal on the financial compensation package for the continued use of the U.S. facilities here.

More concessional terms for existing debts are being sought by the Philippines as part of the package. A debt write-off had been ruled out. These include the availment of the terms under the International Development Agency (IDA) under the World Bank which provides the most concessional debt terms mostly to the poorest nations. The IDA terms do not charge any interest and carry repayment periods of up to 40 years, inclusive of a 10-year grace period. The concessional terms also include relief from official creditors, informally grouped under the Paris Club, mainly through the restructuring of maturing obligations.

Over the next three years, the Paris Club allowed Poland not to pay any principal and settle only 20% of interest payments on its existing debt. The U.S. condoned 70% of Poland's debt. This could set a precedent for many other heavily-indebted countries to seek a similar debt condonation.

Finance Undersecretary Romeo Bernardo, briefing reporters on the progress of the negotiations abroad, said that debt forgiveness was not being pursued by the Philippines. He said that Japan, the country's biggest official creditor, had discouraged such a move, saying it could affect the inflow of new loans to the country.

Over the next two years, Bernardo said the Philippines expected $1.8 billion in new loans from Japan. Payments, on the other hand, will amount to only $800 million, or a net inflow of about $1 billion. Japan also accounts for $4 billion of the $6.6 billion in bilateral loans owed by the Philippines.

Central Bank Opens Relending Facility

HK2703044991 Quezon City MALAYA in English 27 Mar 91 p 9

[By Dinna Chan]

[Text] The Central Bank [CB] has opened a relending facility funded under the 1989-1990 new money agreement with the country's foreign commercial creditor banks.

Under the new money agreement, 20 percent of the financing provided by each creditor bank will be set aside for the relending facility. The new money agreement allowed the Philippines to draw upon $175 million which was supposed to be disbursed in three tranches. So far, the country has only availed of the first two tranches.

While the total amount for the relending facility was supposed to total $143 million, not all of the banks availed of the option which leaves the CB with $128 million.

The CB is only allowed to disburse up to $71.5 million a year under this facility. The fund, which will be relent to both the public and private sector, is a revolving fund. The country drew on the full amount in May of 1990.

The rules under the relending facility are covered by CB Circulars 1249 and 1277. Among the conditions under the facility are:

—Export-oriented and foreign exchange generating project of a Board of Investments-registered or CB-certified export-oriented entity;
—There should be no foreign exchange outflow for the duration of the foreign loan;
—The loan should not be covered by a guarantee of the government or any of the government corporations or financial institutions; and
—The total amount of foreign loans for local cost or financing should not exceed the indicative limit to be set by the Monetary Board.

Among the projects eligible for foreign financing are export-oriented projects, projects listed in the annual investments priorities plan, projects listed in the medium term public investments program and other projects specifically authorized by Congress for financing through foreign loans.

Thailand

Cabinet Approves Missions to Middle East, UK

BK2703070791 Bangkok Domestic Service in English 0000 GMT 27 Mar 91

[Text] A Thai ministerial-level mission will be sent to Kuwait and other countries in the Middle East to extend Thailand's good wishes toward the region in the aftermath of the Persian Gulf war.

The move is part of the Government's projects to help rehabilitate Kuwait, which has been damaged by the gulf crisis. The projects were approved by the Cabinet during its meeting yesterday.

Another ministerial level mission comprising representatives from the public and private sectors will be dispatched to London and other contacting points for negotiations with contractors. This is to pave the way for

Thai business participation in postwar reconstruction projects as subcontractors in the Middle East. The effort to seek an employment share in the region will enable a large number of Thai workers to return to work in Kuwait again.

Moreover, the Cabinet also heard that two Thai missions are planning to visit the Middle East soon. The first mission, led by a deputy permanent secretary for commerce, will visit Dubai, the United Arab Emirates, later next month to organize a Thai trade fair.

Another mission led by a deputy permanent secretary for public health will also visit Saudi Arabia shortly to seek more information on the need of medical assistance by Kuwait and the possibility for Thailand to send a medical team to Kuwait immediately.

The Cabinet also agreed to deliver 1,000 tonnes of Thai rice as relief assistance to Kuwait.

Foreign Minister on Trade Problems With U.S.

BK2703065891 Bangkok NAEO NA in Thai 27 Mar 91 p 7

[Excerpt] Speaking to reporters on 26 March, Foreign Minister Asa Sarasin said the government had assigned the Foreign and Commerce Ministries as the main bodies to negotiate outstanding trade problems between Thailand and the United States, noting that all unresolved bilateral trade problems, including aviation rights, will be negotiated together.

Asa noted that Thailand and the United States have agreed to renegotiate the aviation rights in June in the United States, adding that aviation rights will be an issue which will be used as a bargaining point in negotiations on other bilateral trade disputes. He said: "The current practice is that all issues will be brought up to enhance one's bargaining position."

Meanwhile, Commerce Minister Amaret Sila-on said briefly that his ministry was making preparations for trade negotiations with the United States. [passage omitted]

BPP Set Up Outpost in Burmese Border Village

BK2603142291 Bangkok Army Television Channel 5 in Thai 1230 GMT 26 Mar 91

[By Chitphan Wongthai on 26 March—recorded]

[Text] The following is the latest situation in Tha Ton village, Mae Ai District, Chiang Mai Province [bordering Burma]:

The situation has returned nearly to normal. The Border Patrol Police [BPP] Company No. 334 has been despatched to the village and has set up an outpost, armed with four 81-mm mortars, near the village temple. At 1815 today the company fired eight mortar rounds at the Khun Sa outpost on a mountaintop, possibly to push the Khun Sa unit back into Burma. The exchange of fire between the Burmese minority groups of Khun Sa and the Wa rebels, which resulted in casualties of Thai villagers yesterday, continued sporadically today. No stray shells landed in Thai territory today. The villagers are pleased that the border patrol policemen and ranger volunteers have set up bases in their village.

The tourism business at Tha Ton village has declined after stray shells landed yesterday. The Thai forces are ready to expel any intruding Burmese minority forces.

'Spill-Over' From Fighting in Burma Kills Four

BK2703033791 Bangkok THE NATION in English 27 Mar 91 p A4

[Text] Chiang Mai—Sixteen families have been evacuated from two villages near the Burmese border in this northern province after a spill-over from fighting between two Burmese ethnic forces killed four people, authorities said yesterday.

Soldiers and border patrol policemen said some families, however, declined to leave their homes in Ban Tha Don and Ban Kaeng Yung villages of Mae Ai district for fear that their properties might be looted.

The evacuation followed the explosion of two mortar shells near Ban Than Don on Sunday. One of the shells, believed to be fired by either the Mong Thai Army [MTA] of opium warlord Khun Sa or the rival United Wa State Army, landed at a recreational spot of the village, immediately killing two villagers.

The explosion injured twelve people including two paramilitary troopers who were rushed, along with two other seriously injured villagers, to the Maharai Hospital in Chiang Mai. The two villagers died later Monday, bringing the death toll to four. The authorities said the evacuated villagers were renting houses in Mai Ai town and Fang district seat.

Chiang Mai Governor Phairat Decharin said yesterday that he had asked his deputy, Chamrian Sasibut, to give Bt [baht] 6,000 from the Interior Ministry's provincial fund to each family who had lost a member in the mortar explosion. He said each injured villager was initially given Bt1,000 from the provincial fund and they may later receive more financial assistance from the fund up to a maximum of Bt5,000.

Army Region 3 commander Lt Gen Phairot Chan-urai yesterday visited the two injured paramilitary troopers at the Maharai Hospital. He and Chamrian later flew by Army helicopter to inspect the site where the mortar shells landed. Phairot said he had ordered Border Patrol Policemen (BPP) and soldiers to evacuate villagers from the area considered prone to possible spillovers from the the fighting.

Also yesterday, Pol Col Kunlachet Singhara, commander of the Chiang Mai-based BPP 33 Task Force, said that Thai soldiers had fired some cannon shells into the border areas in which the MTA and the Wa troopers were suspected to have intruded. Kunlachet said Thai officials were asking the two forces to conduct their fighting away from the Thai border to lessen the possibility of spillovers.

The two Burmese ethnic forces, who are fighting mainly to the northeast of Ban Don and north of Ban Kaen Yung have not yet accepted the plea, the BPP commander said.

The MTA and the Wa have mobilized thousands of their troops since the end of 1989 to fight for control over the rugged Doi Lang mountain range along the Thai-Burmese border near Mae Ai. The range is considered one of the most important trafficking routes for heroin and black market goods.

Lao-Thai Officials To Verify Troop Withdrawal

BK2603144491 Bangkok Domestic Service in Thai 1200 GMT 26 Mar 91

[Text] A joint meeting of Thai-Lao military coordination officials was held today in Nong Khai Province in connection with the Thai-Lao border dispute at Ban Rom Klao, Chat Trakan District of Phitsanulok Province on 8 August 1987, which was followed by a cease-fire agreement on 17 February 1988 to separate troops of both sides from the disputed hill number 1408 by three km and an agreement to withdraw all troops and military equipment deployed along the Thai-Lao border to their original barracks.

Major General Wirot Watchirawat headed the eight-member Thai delegation, while the six-member Lao delegation was led by Colonel Thongvan Sidavong. The meeting acknowledged the troop withdrawal plan and the verification of the troop withdrawal by Thailand and Laos which was conducted between 13 to 19 March. The verification of withdrawal of troops inside Laos will be carried out between 2 to 3 April while the verification of withdrawal of troops inside Thailand will be carried out on 4 April. The verification of troop withdrawal in Laos will use vehicles to be provided by the Lao side while the verification in the Thai area will use vehicles from the Thai side. Another meeting will be held after the verification.

Group To Push Ahead With 'Rival' Constitution

BK2703013791 Bangkok THE NATION in English 27 Mar 91 p A1

[Text] Undeterred by a veiled threat from Supreme Commander Gen Sunthon Khongsomphong, outspoken politician Sutham Saengprathum declared yesterday he and his colleagues will push ahead with a plan to draw up a rival Constitution and accused the military of attempting to put the executive powers in the hands of the bureaucrats.

Sutham, a former Nakhon Si Thammarat MP [member of Parliament] of the Solidarity Party, claimed that he had the support of politicians from many political parties but admitted he was treading on thin ice under the shadow of martial law.

Observers see the move as a test on how far the military junta would tolerate political dissent. "We want to show the military that we politicians are not happy with the way they are trying to dictate the drafting of the Constitution," said Sutham, a former student activist of the 70's. The ex-MP said he and his colleagues were in the process of mobilizing ideas and opinions from "various sectors".

Sutham declined to name others who he said are involved in the move to draft a rival Constitution which has earned the ire of Gen Sunthon, chief of the National Peacekeeping Council (NPKC). "They don't know what they will be up agianst," Gen Sunthon said on Monday when asked to comment on the politicians' move.

But Army Commander-in-Chief Gen Suchinda Khraprayun yesterday tried to play down its political significance. "Even you can draft one," he replied with a smile, when a reporter questioned him on the matter. He also said the NPKC "is dying to get help" in drafting the new Constitution.

Sutham criticized the military for trying to dictate the terms of the Constitution, especially their suggestion that it clearly separate the executive from the legislative branches so that no MPs can hold Cabinet posts unless they relinquish their parliamentary seats first. "And it looks like the military is going to have its way," he said, referring to fears that a committee to be appointed by the military-dominated National Legislative Assembly to draft the new constitution will submit to pressure from the NPKC.

The 38-year-old politician said the "rival constitution" that he and his colleagues have in mind will be much more democratic than the one the military would want to see. He said it would limit the number and power of senators and allow MPs to switch parties—a practice banned under the current political parties law.

"It is obvious that the military hopes to constitutionalize the political role of bureaucrats," Sutham said, referring to reports that the military wants the new constitution to give powers to senators, who are expected to be mostly promilitary bureaucrtats in the future Parliament.

"The military obviously wants to put the power in the hands of the bureaucrats and prevent the people from having a say in the administration of the country," said Sutham, who served as the last secretary-general of the powerful National Students Centre of Thailand before it was disbanded following the coup in October, 1976

Sutham said the proposed rival constitution should also include a provision designed to deter vote-buying. "The Constitution should provide for independent organizations, such as students and non-government organizations, to help monitor elections to prevent vote-buying," he said. Countering the NPKC's charges that politicians had bought their way into Parliament, Sutham said the military was no less guilty in stunting the growth of democracy in the past.

Paper on Move To Draft 'Alternative Constitution'

BK2603142591 Bangkok MATICHON in Thai 26 Mar 91 p 8

[Editorial: "Constitution"]

[Text] A group of former MPs [members of Parliament] is pondering forming a committee to draft an alternative constitution, which will be in line with Thai society, to be presented to the public after the National Legislative Assembly announces a new constitution. Their move is being carried out openly with a clear objective. The National Legislative Assembly and the government, as well as the National Peacekeeping Council, should understand their intention.

This group of people, including politicians, academics, lawyers, and representatives of independent organizations, are used to expressing their views, either supporting or opposing, freely, in line with their rights and freedoms. The drafting of a new constitution also involves the benefits of all parties concerned, especially the politician, whose main duty is to act as a mouthpiece for the people.

Those who are directly responsible for the drafting of a new constitution should admit that other persons also have good wishes for the future of the country and the people. They want to see the country's democracy progress well and do not want to see bad MPs exploit and intimidate the people.

Since the previous Constitution failed to solve these problems and could not eliminate the inefficient and unprincipled MPs, a group of former MPs and people from various organizations who are interested in this issue want to propose their measures to solve the problems of vote-buying and the selling of ideology to buy Cabinet posts for personal benefit.

The authorities in charge of the drafting of the constitution should allow this group of people to freely express their opinions so that the authorities can consider whether or not these suggestions, in the form of an alternative constitution, can help solve the problems as claimed by the group.

To prevent misunderstanding and conflicts and to avoid answering questions on why they did not try to amend the previous Constitution to make it more suitable during their terms in Parliament, the alternative constitutional draft should be presented before, or at least simultaneously with, the constitutional draft to be considered by the National Legislative Assembly. So the persons in charge of the constitution drafting can listen to and consider their opinions during the constitutional drafting. It will be useless if the alternative constitution is presented later because it would cause only tension and conflicts.

Daily Urges Public Debate on New Constitution

BK2703033091 Bangkok BANGKOK POST in English 27 Mar 91 p 4

[Editorial: "People Must be Free To Speak Their Mind"]

[Text] A political dilemma facing many Thais these days is the question of whether the caretaker government or the National Peace Keeping Council (NPKC) is actually in charge of the country, and to whom they should listen.

This awkward situation has, of late, taken a turn for the worse in light of the brewing controversy over a permanent constitution which has yet to be drafted to replace the existing interim one.

NPKC chairman Gen Sunthon Khongsomphong on Monday issued a curt warning which was obviously directed at a group of ex-MPs [members of Parliament] who are planning to draft an alternative constitution to the official one to be written by a committee yet to be set up by the National Legislative Assembly. Without being specific as to what action he would take against the former MPs, Gen Sunthon reminded them that martial law is still very much in force. The message that he intended to convey to the politicians seemed to be that he has a limit to his tolerance of their freedom of expression and that they should better be aware of this.

On that same day, however, Prime Minister Anan Panyarachun, apparently in defence of freedom of expression, said he thought it was quite normal for an individual to exerise his or her right within a democratic framework to voice opinions on the constitutional issue so long as they did not infringe on the rights and duties of other people.

Hopefully, the contrasting views held by the NPKC chairman and the Prime Minsiter on such a basic but significant issue will not be interpreted as a conflict in the making between the caretaker government and the NPKC that would undermine their working relationship. On the contrary, the differing opinions should be viewed in a positive light as a healthy sign of democracy in the making in the leadership level.

For anyone with progressive thinking and democratic consciousness, the move by the ex-MPs to draft an alternative constitution should constitute a sign of political maturity rather than being viewed as a challenge or an affront to the NPKC or the Assembly. After all, this exercise is merely meant to produce an alternative option for the public and, in the end, it is up to the constitution-drafting committee to decide whether or what elements should be incorporated in the officially-drafted charter.

Since it will chart the future political course of the country, the importance of the new constitution hardly needs emphasising. The thrust and contents of the new charter are all the more significant in light of radical changes that the NPKC intends to bring about—notably the proposed separation of legislative from executive powers. It is therefore essential that the public shoud have a say in such a vital undertaking.

Freedom of expression is one of the means through which the public can at least indirectly participate in the drafting process of the constitution. It constitutes one of the essential features that distinguishes a democratic system from one of totalitarianism. In a democracy, freedom of expression is regarded as a basic human right which is not only recognised, but also prmoted. Such a political exercise is, however, not tolerated—if not suppressed—in a society placed under totalitarian rule.

Notwithstanding the political and economic setbacks to the country as a result of the February 23 military takeover, the NPKC has shown remarkable restraint and tolerated a fair degree of freedom of expression, partiularly as far as the Press and academics are concerned. This is a sign of pragmatism on the part of the military leadership which has developed alongside the political maturity of other sectors of the Thai populace. The only drawback, perhaps, is its reluctance to lift martial law which unfortunately gives a negative impression to the outside world that the country is still very much under military rule.

Although the NPKC leaders may already have formed their opinions on that shape the new constitution should take, they could do the public a service by taking into account the many and varied public views on what political course the country should adopt. Basic democracy should be given a chance—a chance to play itself out in the form of freedom of expression over the constitution issue.

Editorial Views Political Atmosphere, Martial Law

BK2703033991 Bangkok THE NATION in English 27 Mar 91 p A12

[Editorial: "The Political Atmosphere"]

[Text] More than a month after the Feb 23 coup, Thailand is irrevocably set on a new, though largely uncharted, course of building a "better" political system. The interim National Assembly is scheduled to open on Friday and soon afterwards a committee will be formed by the assembly to draft a new constitution.

Under the interim constitution, the committee shall comprise no more than 20 persons who may or may not be members of the assembly. Even with its 20-person maximum size, the committee will unlikely be able to answer all the questions that arise or find the best remedies to chronic political problems. Moreover, members on the committee will, if they are truly worth their salt, disagree on major concepts and key details.

In such a case where will the committee members turn for opinions and suggestions? Certainly not to the Anan administration, which, according to the interim Constitution, has nothing to do with the constitution-drafting process. Also under the interim constitution, the drafting committee will involve the assembly only after it has completed the draft constitution and sent for the first reading on the assembly floor.

Most probably, disagreements within the drafting committee will be referred to leaders of the National Peace-Keeping Council (NPKC). Consequently, the committee will end up producing a draft Constitution that clearly reflects the thinking in the NPKC. Then it would be only a formality for the military-dominated interim National Assembly to rubber-stamp it.

This is a worst-case scenario that we earnestly hope will not materialize. The new constitution, which will set a conceptual framework for the Thai political system, must be designed to serve the interest of the entire nation, be equitable, constructive and democratic.

In order to produce a constitution that will receive the support of the elites and acceptance by the masses, members on the committee must be carefully chosen only from among fully qualified people to ensure the highest level of competency and independence, diversity of knowledge and political expertience, and genuine democratic intentions. Then, instead of referring their problems to the NPKC leaders, the committee members should be given full liberty to consult outside experts and listen to various educated opinions for ideas and suggestions when they run into major differences. This is one compelling reason for the immediate abrogation of both martial law and the ban on political gatherings of five or more peole. No democratic constitution can be produced in such an environment.

The NPKC's justification for martial law is that the country, as well as the Anan government, needs it to maintain law and order and deter political trouble during this crucial transition period. Martial law, we presume, will also come in handy to help the anti-graft Sit Committee seize assets from wealthy politicians found to have amassed their wealth illegally and protect the process from lengthy litigation. But this is only a legal technicality which can be taken care of it the NPKC really wants to.

Even without martial law, both the NPKC chairman and the prime minister are still armed with absolute power under Article 27 of the interim constitution, which in itself is a sufficient deterrent. The NPKC and the Anan administration are also backed by virtually the entire armed forces and the police. It would be foolish for any group to try to stir up political trouble in the hope of overthrowing the NPKC and the government.

So the ban on political gatherings of five or more people is redundant. It also contradicts the NPKC's professed intention of promoting a strong and stable political party system. What is so praiseworthy about not having dissolved the existing political parties when their activities are restricted by the ban?

Palang Tham Party leader Bangkok Governor Chamlong Simuang intends to side-step this ban by calling a series of meetings of three Palang Tham members at a time. Other politicians sarcastically talk about holding political discussions outside of Thailand, possibly in Laos.

So far the positive attitude of the Anan administration toward all permutations of political expression (for example meetings of state enterprise leaders, academic seminars on politics and social issues, etc) is some grounds for optimism. But the NPKC leaders have yet to make clear that they will really welcome public opinion and suggestions on how to draft a new constitution.

If, for some legal technicality, martial law cannot be lifted now, then the NPKC must at least scrap the ban on political gatherings. Such an action would improve the

political atmosphere, making it much more conducive to the drafting of a constitution that is acceptable to all, not just to the NPKC.

Cabinet Approves 'Massive Infrastructure Projects'

BK2703034191 Bangkok THE NATION in English 27 Mar 91 pp A1, A3

[Text] The government yesterday gave the go-ahead for several massive infrastructure projects pending from the previous administration with firm instructions that implementation should begin as soon as possible.

The decision, made during yesterday's Cabinet meeting, removed the hurdles that had plagued the projects for years due to controversy over reported lobbying and suspected irregularities when the deals were awarded to the bid winners. It also put to rest any doubts that some of the projects might eventually be scrapped, leading to more cumbersome procedure for tenders. The government also demonstrated that it would not waste time in terminating the pending process because the country urgently needed to alleviate serious infrastructure constraints brought about by rapid economic growth over the past three years.

After the new Cabinet assumed office early this month, Prime Minister Anan said the major projects were among his interim government's top priorities, partly to assure private investors that there will not be vengeful decisions against large ventures initiated by the previous administration.

Outlining seven broad areas in which the infrastructure bottlenecks would be tackled, the Cabinet indicated that stumbling blocks would be removed for the projects—which would install three million new phones countrywide, set up mass transit systems for Bangkok, and construct a second international airport and container depots in the capital.

Currently under review are the Bt [baht] 150 billion telephone project and the Bt55 billion Skytrain project, whose draft contracts will be cleared for signing between the government and private investors as soon as possible. Both projects, initiated under the Chatchai government, were stalled by last month's coup.

Prior to the coup, the Skytrain project was severely criticized for years-long delays and alleged official corruption amidst intensive lobbying by the prospective bidders. The deal was to be awarded to the Lavalin International Group of Canada during the previous administration. There was also tough questioning about the decision-making process for the massive phone project used by Montri Phongphanit, the then transport and communiations minister.

In contrast to the Skytrain scheme, the project to add three million numbers to the nation's phone system, with a joint venture of the Charoen Phokphan Group and British Telecom chosen as the contractor, won preliminary approval from the Chatchai Cabinet in only three months, amid charges of irregularities.

There was also criticism about a lack of openness concerning the decision-making process in Montri's swift handling of the Bt80 billion elevated mass transit system, which was awarded to the Hopewell Group of Hong Kong. The government had, however, already signed a contract with the firm, which in turn will be given massive land use rights from the State Railway of Thailand for property development.

Citing the worsening bottlenecks in urban transport and telecommunications, the Anan Cabinet appeared to prefer quick implementation of these schemes rather than putting them under time-consuming review to unearth previous misconduct as charged against the previous administration.

The Anan government also announced that it would make a decision on the second international airport project for Bangkok before the end of this year. Nong Ngu Hao seems to be the only site possible for construction of the new airport to replace the present one at Don Muang.

Arguments in favour of and against Nong Ngu Hao have been going on for more than a decade wikthout any final government decision while Don Muang is moving closer to its peak capacity, which will be reached around the year 2000.

1.3 Million People Affected by Drought

BK2603022391 Bangkok THE NATION in English 26 Mar 91 p A2

[By Prakopphong Panaphon]

[Excerpts] Drought is wreaking havoc in five provinces and causing hardship in at least 40 others nationwide, with more than 1.3 million people directly affected, a senior Interior Ministry official said yesterday.

The province worst affected by the prevailing drought is Uthai Thani, while the situation in Phetchaburi, Chai Nat, Lamphun and Maha Sarakham is moderately bad, said Interior Ministry Permanent Secretary Charoenchit na Songkhla. The drought's effects on 40 other provinces are slight, he said.

According to the latest Interior Ministry report, drought is wreaking havoc in 6,609 villages of 277 districts and affecting 1,360,132 villagers. About 760,000 rai of farmland was also damaged, said Charoencnit. He said many more people are expected to be stricken by the effects of the drought during the peak of the dry season in April and May.

The Interior Ministry has instructed local authorities to promptly mobilize relief efforts for the drought victims and to keep the ministry informed on the progress of their work, he said. Charoenchit said he has also assigned his deputies to closely monitor the drought situation and oversee relief efforts in different regions of the country. The five deputies will soon make inspection visits to the areas they were assigned to oversee, he said. [passage omitted]

The permanent secretary said the governor of every drought-hit province is already empowered to approve the spending of Bt [baht] 3 million on emergency drought relief operations and the Interior Ministry has another Bt400 million in government relief funds in hand.

Director of the Interior Ministry's Civil Relief Centre, Chaloemphon Pratheepwanit, said yesterday that residents of Uthai Thani are the worst affected by the drought probably because their province has never been exposed to a severe drought before and they are not well-prepared for the hardship.

Unlike the Uthai Thani villagers, residents of several other drought-stricken provinces in the Northeast have not been as seriously affected this year because they have stored water for use during the ongoing dry season after having repeatedly experienced severe aridity in the past, he said.

Prime Minister Anan Panyarachun visited two drought-hit districts in Uthai Thani on March 15 and said after returning to Bangkok that the situation was not very serious. However, the premier ordered local authorities to distribute drinking water to villagers in some dry areas in the two districts and help irrigate their farmland.

Vietnam

NHAN DAN Hails Lao Congress, Achievements

BK2703053491 Hanoi Domestic Service in Vietnamese 2300 GMT 26 Mar 91

[NHAN DAN 27 March Editorial: "The Great, Important Political Event of the Lao Revolution"]

[Text] Today, 27 March, the Fifth Lao People's Revolutionary Party [LPRP] Congress solemnly opens in Vientiane. This is a significant event in the political life of the Lao people.

On this occasion, the Vietnamese party delegation led by Comrade General Secretary Nguyen Van Linh has left Vietnam for Laos to attend the congress. He brings with him the Vietnamese communists' and people's most profound sentiments of solidarity and friendship to the Lao Communists and fraternal people.

Since the first party congress on 22 March 1955, under the leadership of the LPRP led by Comrade Kaysone Phomvihan, the Lao people of various nationalities have consistently strengthened solidarity and struggled side by side with the fraternal peoples in the Indochinese peninsula, thereby scoring repeated glorious victories. The great victory of the Lao Armed Forces and people on 2 December 1975, which resulted in the establishment of the Lao People's Democratic Republic [LPDR], has brought Laos into a new era of total independence and freedom where the Lao people are the masters of their own fate and destiny.

The world situation is changing rapidly and complicatedly in the new stage. Under the LPRP leadership, the Lao people of various nationalities have consistently developed the revolutionary gains and have overcome numerous difficulties and ordeals, thus scoring many new achievements.

Drawing on lessons from the Lao revolution and the experience of some fraternal parties, the Fourth LPRP Congress in November 1988 set forth lines and policies on renovation, especially in economic thought, economic management, and the organization of cadres and their work. These lines and policies have been concretized by the subsequent LPRP Central Committee plenums. During the past four years, the renovation cause has become a part of the daily life of the Lao people, thereby enabling Laos to score concrete results in various aspects.

The Lao Armed Forces and people have consistently developed the tradition of patriotism and unity, thus firmly defending national independence, sovereignty, and territorial integrity; and effectively maintaining security and social order throughout the country. The economic structure, the management mechanism, and the political system have been further strengthened, thus improving the socioeconomic situation and creating favorable conditions for political stabilization.

In 1990, Laos achieved a total grain production output of about 1.5 million tonnes, a twofold increase as compared to 1976 [year as heard], thus meeting its domestic demand and attaining some surplus. About three-fourth of the existing enterprises have shifted to business accounting and have scored encouraging results. Under the beacon of the Lao renovation, the cultural, education, and public health domains have scored remarkable achievements.

In the international arena, the prestige of the LPDR has been consistently enhanced thanks to its foreign policy of independence, self-determination, and peace. Together with Vietnam and the State of Cambodia, the LPDR has proposed a series of initiatives aimed at accelerating a political solution to the Cambodian conflict, thereby contributing to promoting peace, stability, and cooperation in the Southeast Asian region.

Laos has intensified its relationship and foreign trade relations with Vietnam, Cambodia, the USSR, and other fraternal countries. It has also expanded economic relations with other nations and international and regional organizations.

Only two years after the promulgation of the law on foreign investment in Laos, more than 200 foreign investment projects have been registered and implemented with a total capital of $190 million, 96 percent of which have been provided by foreign investors.

These lively changes and improvements in the daily life of Laos testifies to the correct and creative renovation policy set by the LPRP. It is noteworthy, however, that renovation is a new path and as a result difficulties and obstacles are unavoidable. For this reason, the LPRP has consistently asserted the slogan of "relying on renovation for development and vice versa," so as to firmly and

gradually advance, learn from mistakes in daily work, strive to overcome shortcomings, and perfect tasks in all aspects.

The Vietnamese people warmly welcome the great achievements scored by the fraternal Lao people in the renovation cause and note with great pleasure that the special friendship of Vietnam and Laos fostered by President Ho Chi Minh and our two parties and tested by ordeals in various stages, has become a pure, faithful international relationship. This is one of strengths and factors determining victories for the revolution in each country. It is the long- lasting foundation of Vietnam-Laos relations of comprehensive cooperation, upholding equality and mutual benefit, and respecting each other's independence and sovereignty.

In the new stage, the Vietnamese people pledge that they will do their best to consistently develop and expand these relations in depth and in diversified forms so as to score ever greater achievements to serve the interests of people in each country.

On this occasion, we sincerely wish the Fifth LPRP Congress glorious success, thereby leading the Lao revolution to new victories. We also hope that the Vietnam-Laos special friendship and comprehensive cooperation will last forever.

Hanoi Reports China's Stance on Cambodia, Vietnam

BK2703030891 Hanoi Domestic Service in Vietnamese 2300 GMT 26 Mar 91

[Text] In his speech at the current Fourth Session of the Seventh National People's Congress in Beijing on 25 March, Chinese Premier Li Peng stressed relations between China, Vietnam, and Cambodia.

Premier Li Peng said: China wants, together with the world community, to settle soon the Cambodian issue with a comprehensive, just, and rational solution within the framework of the UN documents on Cambodia. Along with progress in the efforts to seek a political solution for the Cambodian issue, the restored China-Vietnam relations will be strengthened step by step.

Report on Contributions to Party Draft Documents

BK2503110791 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 7 Feb 91 p 1

[Report by Hong Son on "Activities of Basic Party Organizations of the 7th Military Region To Contribute Ideas to Party Draft Documents"]

[Text] For one month or more now, party bases in the 7th Military Region have organized a drive of activities to let party members and the people contribute their ideas to the two draft documents "the Platform for Socialist Construction..." and "the Strategy for Socio-economic Stabilization and Development." As yet, there have been 1,338 ideas contributed to the draft documents. The draft platform got 102 more responses than those of the draft strategy.

To Manifest More Clearly the Viewpoints on and Guidelines for Building the People's Army

All party members and the people reached a high level of identical views asserting that our party had set forth a relevant and timely platform for the current international situation. The persistence in following the socialist construction line has manifested all the more clearly the revolutionary traditions of our party.

Most of the ideas focused on three chapters—I, II and IV. As regards Chapter I "The Great Victories and Lessons of the Vietnamese Revolution" some 181 ideas suggested supplements be made to the chapter and 61 others suggested two issues be reconsidered more carefully. The assessment of "Great Victories" of the Vietnamese Revolution must specify shortcomings committed over the past few decades, especially since 1975. If "Great Victories" were mentioned generally, the real status would not be shown. As for assessing shortcomings, 11 ideas suggested that responsibility be atttributed more specifically and the general words "Our Party" should not be used.

Concerning the five great lessons, there were 98 suggestions for bringing the fifth lesson "Party Leadership Is the Decisive Factor in All Victories of the Vietnamese Revolution" to the first position. Other people suggested that the fourth and fifth lessons be made one because they reflected the same nature and scope of party leadership. Three ideas suggested the addition of one more lesson on "Attentively Build the Revolutionary Armed Forces To Firmly Defend the Socialist Vietnam Fatherland and Participate in Building a Powerful and Prosperous Country."

With respect to Chapter II on the transition to socialism in our country, 49 ideas suggested supplements to the chapter and 218 others suggested more careful consideration, focusing on these few points: The evaluation of the fundamental scope for today's time should be reconsidered. Realities over the past seven decades have shown that while capitalism has had to readjust itself for development, socialist countries have taken time to develop their economies which led to critical and overall crises in a series of socialist countries. Some 49 ideas were proposed to clarify better the contradictions between the working class and bourgeoisie in the capitalist society and to elaborate on the fundamental contradictions of capitalism. As for the basic objectives of the initial stage, it is too conservative to say this stage is to end after two or three five-year plans and then "per capita income will at least be double the current level." Some 38 ideas suggested that the length of the initial stage be determined more clearly for a certain number of years. Saying that it would end after a few five-year plans is too general.

Many people suggested that Chapter IV on national defense and foreign policy should present more clearly the viewpoints on, guidelines for, and contents of building the people's army into a regular modern army with high combat strength, while constantly raising the political quality and combat readiness of militia and

self-defense forces. Some other people proposed that the words "wholesome" be placed before the words "firm and strong" concerning the building of the people's public security force.

Concerning arrangement, some 46 ideas suggested that Chapter IV be divided into two chapters: One on national defense and security and the other on foreign policy.

Although there were only 33 suggestions concerning Chapter VI on the Communist Party of Vietnam's role in building socialism, some of them should be studied, namely the following paragraph should be added to line 13, column one on page 14: "The party cannot demand that the front recognize its leadership but it must prove to be the most loyal, active, and sincere component. Only in the struggle and everyday performance and when broad segments of the masses recognize the correct policies and leadership of the party, can the party win the leading position" (Ho Chi Minh's Words).

To Develop State-run and Collective Economies on a Priority Basis

There have been thus far 618 ideas contributed to the draft "Strategy for economic stabilization and development...." Many of the ideas focused on asking the state to take priority action to develop the state-run and collective economies so that they can keep the leading role in the social economy. At the same time, the privately run economy should be supervised and controlled to ensure workers' legitimate interests. Some 176 ideas held that major policies and measures should create a stable base for resolving unemployment, especially for discharged soldiers, and should protect the health and enhance the physical strength for the people, especially poor laboring people and those living on pensions. Regarding arrangement, all ideas proposed the division of point five on economic, cultural, and social infrastructures into two points: Economy on the one hand and culture and society on the other, and switching the positions between these two objectives ("meeting the fundamental requirements of improving the people's material, cultural, and moral lives") and "stabilizing and developing the economy."

Most of the remaining ideas deal with adding or omitting words or sentences. On page three, column two, following the phrase "...building socialism after the pattern heavily characterized by dogmatism, stereotyping, and voluntaristic subjectivism..." some 56 ideas proposed the addition of this phrase: "However, the core problems lie in the low level of management and weak economic thinking. The party has not properly dealt with nor attributed the responsibility for these weaknesses." Also on page three, column one, part one, after the word "corruption" these words should be added: "has quickly developed and is becoming a national disaster."

Article Views 'Absurd Petitions for Regression'

BK2003132991 Hanoi Domestic Service in Vietnamese 1100 GMT 17 Mar 91

["Today's Issue" feature by Professor Thai Ninh: "Absurd Petitions for Regression"]

[Text] Recently, some Western newspapers and radios repeatedly carried petitions addressed to our party regarding the elaboration of its political platform and socioeconomic strategy. Are these news media really concerned about our national reconstruction and development? Not at all. These petitions are only aimed at inciting our people to demand the renunciation of socialism, the return to the people's democratic system, and the rejection of national defense as a strategic task.

What is then the true nature of these petitions? With all prudence and objectivity, we can conclude that these petitions contain many points that are wrong, if we do not want to say outrightly that they are opposed to our party's line. The first error is the repudiation of national defense as a strategic task. As we all know, the determination of a strategic task is neither dependent on one's subjective wishes nor based solely on the aspirations of individuals, but must proceed from reality and from class and national contradictions. We cannot be conscious only of our needs but must also be aware of the adversary forces and their schemes and tricks.

How have these hostile forces behaved toward our people and country? Have they ever consented to remaining idle in view of our victories? Have they ever ceased opposing and sabotaging our country's revolution? In the current situation, it is very dangerous for us not to consider national defense as a strategic task. For the enemies of all stripes are making every effort to fiercely oppose and undermine the Vietnamese revolution in many respects. Why does the United States still foster 600,000 policemen? Why do the United States and NATO continue to maintain a 3.5-million strong army? Obviously, more than one-half million U.S. soldiers have been sent to the Persian Gulf not for a vacation, and the U.S. military bases in the Philippines and the NATO member countries, along with their huge arms stockpiles, are not meant to be tourist attractions. Everybody knows what they are there for. The Gulf war must be an eye-opener for anyone who mistakenly thinks that the Cold War is over and for anyone who still nurtures the illusion about a unified world living under the same roof.

Could we remain assured, undisturbed in view of such a situation? That is to say nothing of the hostile forces which continue the so-called punishment of Vietnam and pursue the policy of encirclement and embargo against our country. Reactionaries abroad, after establishing contact with those inside the country, are actively opposing and sabotaging the Vietnamese revolution in many respects by means of numerous insidious maneuvers aimed at abolishing socialism and overthrowing our administration. In view of such a situation, if we refuse to determine national defense as a strategic task or if we belittle it, then we must have a vague perception of the

enemies, we must be overestimating their goodwill, we must be acting demagogically, or, worse still, we may be helping the aggressors. What would the consequences of such a policy be if the enemies launch an aggressive attack, grab our land, or encroach upon our territory?

The second error consists in a petition which, though worded in a circumspect manner, essentially suggests the abandonment of socialism in favor of the exclusive building of a people's democratic regime. Building a political system cannot be a whimsical, arbitrary undertaking but must be done in strict accordance with the laws of social evolution and development. We all know that building a people's democratic regime is not a bad thing; in fact, it is a revolutionary stage our people have gone through with untold hardships and sacrifices. The objectives of the people's democratic revolution, with its set tasks of struggle against imperialism and feudalism and for national liberation, for the peasantry's emancipation, and for land to the tillers, had been basically fulfilled after the great 1975 spring victory. The error in both theory and practice of this petition lies in the fact that it contends that our country has not yet completed that revolution and has not yet succeeded in building a people's democratic regime. The absurdity of this contention lies in its argument that at this juncture the Vietnamese revolution should give up the building of socialism and should backtrack in order to continue the people's democratic revolution.

According to our party's viewpoint, a genuine people's democratic regime can only be a regime of the people, for the people, and by the people, under the leadership of the vanguard party and oriented toward socialism. As a stage of the revolution, it has its own definite tasks. The objective necessity of this stage is reflected in the fact that one cannot bypass it to advance directly to socialism and that it helps create political and socioeconomic premises for the shift to a new revolutionary stage, that of the socialist revolution. These two stages are closely related; there is no absolute divide between them, no wall to separate one from the other. The better the people's democratic regime is built, the stronger the socialist regime will be. At the people's democratic revolution stage, we did not wait until the shift to the socialist revolution to foster and affirm the socialist ideal and the shaping of socialist elements in social relations and in revolutionary organizations, but had already done it at the beginning of the Vietnamese revolution.

In 1921, Comrade Nguyen Ai Quoc clearly pointed out: The cruelty of capitalism has prepared the ground, and all that remains for socialism is to sow the seeds of liberation.

Therefore, when we concentrated our efforts on national liberation, we were also bringing into full play the strengths of democracy, the socialist ideal, and the socialist elements that had already existed in the national democratic revolution. When the people's democratic revolution came to an end, there were in society many socialist elements to pave the way for us to enter the period of transition to socialism. Building socialism is the continuing, subsequent stage to the people's democratic revolution. Moreover, when we shift to the building of socialism, it absolutely does not mean that the pursuit of the objectives of the national democratic revolution has ended. Instead, these objectives continue to be expanded in depth and width and are raised to new qualitative heights.

Western radios and newspapers also featured a petition saying that, in the immediate future, no platform or strategy should be discussed since socialism remains an elusive target, and that a people's democratic regime should be built instead to ensure the people's living conditions. According to this contention, for our country at this juncture, only a people's democratic regime, not a socialist one, can guarantee the people's livelihood and realize democracy.

We are now in the first years of the transition to socialism, the people's lives are still replete with hardships and difficulties, and we are still unsatisfied with many things in society. However, compared to the years when we were forming the national democratic revolution, it is clear that there have been fairly visible changes in many aspects of life, especially in the rural areas. Of course, at present, Vietnam still has many weaknesses, but if we do not build socialism our country will face even greater difficulties. The inevitable path for the destiny of the country and people is to advance to socialism, not to rebuild the people's democratic regime, much less to follow the capitalist road. Only socialism can bring about lasting happiness for the working people. We cannot use the mistakes made in the process of building socialism in Vietnam and in this or that country—even when these mistakes have led to failure in some socialist countries—as a pretext to renounce the socialist path. The important thing is to clearly realize mistakes and pinpoint the causes of failure in order to overcome them and to continue building socialism. Truth is often uncovered through the perpetration of mistakes, just as success is often achieved at the high price of setbacks and failures. The danger of this petition is that it may cause confusion and wavering in some people and lessen their confidence in socialism, the lofty objective our party and people are persitently striving for.

All the lines of argument of the above-cited petitions show their writers' intention to oppose the line of advance to socialism. Their methodology is both metaphysical and mechanical, their political stance wrongful and antisocialist, and their attitude demagogic. This is the true nature of the petitions that Western radios and newpapers have divulged in a provocative manner.